

Fiscal Year 2022 Results Presentation

GMO INTERNET GROUP

STOCK CODE: 9449

February 13, 2023

Changes in rules to record the revenues* | Impact

Net sales based on new rules (concept diagram)

Net sales

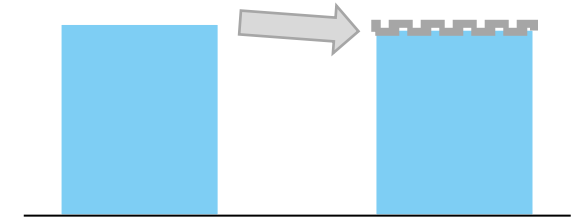
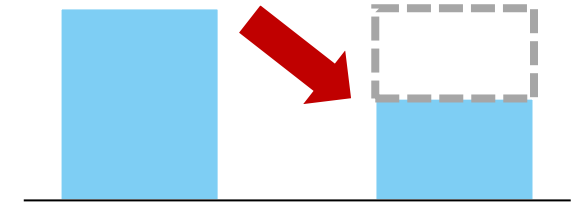
- **Online Advertising & Media**

Net amount processing of ad spot purchase amount in advertising agency leads to an **apparent drop**

- **Infrastructure**

Limited impact is observed despite change from one time processing at the time of concluding contract to proration in accordance with the term of contract and the net amount processing in Ecommerce Solutions

- **Finance, Cryptoassets, and Incubation:** no material impact



Operating profit: limited impact

* "Accounting standards related to revenue recognition" (accounting standard No. 29)

Changes in rules to record the revenues* | Comparison with the same period last year

Affected divisions (consolidated, Infrastructure, Online Advertising & Media)

► Compared to the same period last year (old v.s. old) to show the actual conditions of the business

(Compared to the same period last year (old v.s. new) included in Appendix)

Non-affected divisions (Finance, Cryptoassets)

► Compared to the same period last year (old v.s. new)

* "Accounting standards related to revenue recognition" (accounting standard No. 29)

1. Overview
2. Group Overview
3. Segment Report
 - i) Internet Infrastructure
 - ii) Online Advertising & Media
 - iii) Internet Finance
 - iv) Cryptoassets
4. Topics

Overview | Executive Summary: FY2022

Both revenue and profit were up for the 14th consecutive year

	Old	New	Old	Compared to the same period last year (old v.s. old)	
(JPY billions)	FY21	FY22	FY22	YoY Change	Change
Net Sales	241.6	245.6	276.4	+34.8	+14.4% Record high
Operating Profit	41.1	43.7	43.4	+2.3	+5.6% Record high
Ordinary Profit	43.3	46.0	45.7	+2.3	+5.4% Record high
Net Profit	17.5	13.2	12.9	-4.5	-26.2%

Overview | Executive Summary: FY2022

Compared to the same period
last year (old v.s. old)

Evaluation
FY22 FY21

Record high	Internet Infrastructure	Net sales	JPY 158.2B	(Up 14.0% YoY)	Services each hold top share in their respective markets in Japan → ○ Recurring revenue continues to see an upward trend, achieving two-digit growth → ○	➡	○	○
		OP	JPY 21.8B	(Up 13.4% YoY)				
Record high	Online Ad & Media	Net sales	JPY 60.8B	(Up 16.9% YoY)	In-house products and media grew as the market environment recovered → ○ Saw record high earnings for the first time in the last nine years → ○	➡	○	○
		OP	JPY 2.1B	(Up 77.2% YoY)				
	Internet Finance	Net sales	JPY 42.5B	(Up 25.5% YoY)	FX: made improvements on profitability issues, which led to increased net sales in Q4 → △ CFD: favorable trading volume and revenue trends → ○ Overseas: Thailand's Internet Securities posted the provision of allowance for doubtful accounts of JPY 3.5B → ✕	➡	○	○
		OP	JPY 9.2B	(Down 20.7% YoY)				
	Cryptoassets	Net sales	JPY 6.2B	(Down 69.9% YoY)	Increased the number of accounts and the trading volume steadily, aiming to maintain the No. 1 market share → ○ Unchanging mid- to long-term expectations but the market environment is "✕".	➡	△	○
		OP	JPY -0.3B	(FY2021: 9.0B)				
Record high	Incubation	Net sales	JPY 13.3B	(Up 753% YoY)	Fund that specializes in the payment domain of Southeast Asia has sold a portion of the investee's shares		○	—
		OP	JPY 10.0B	(FY2021: 0.7B)				

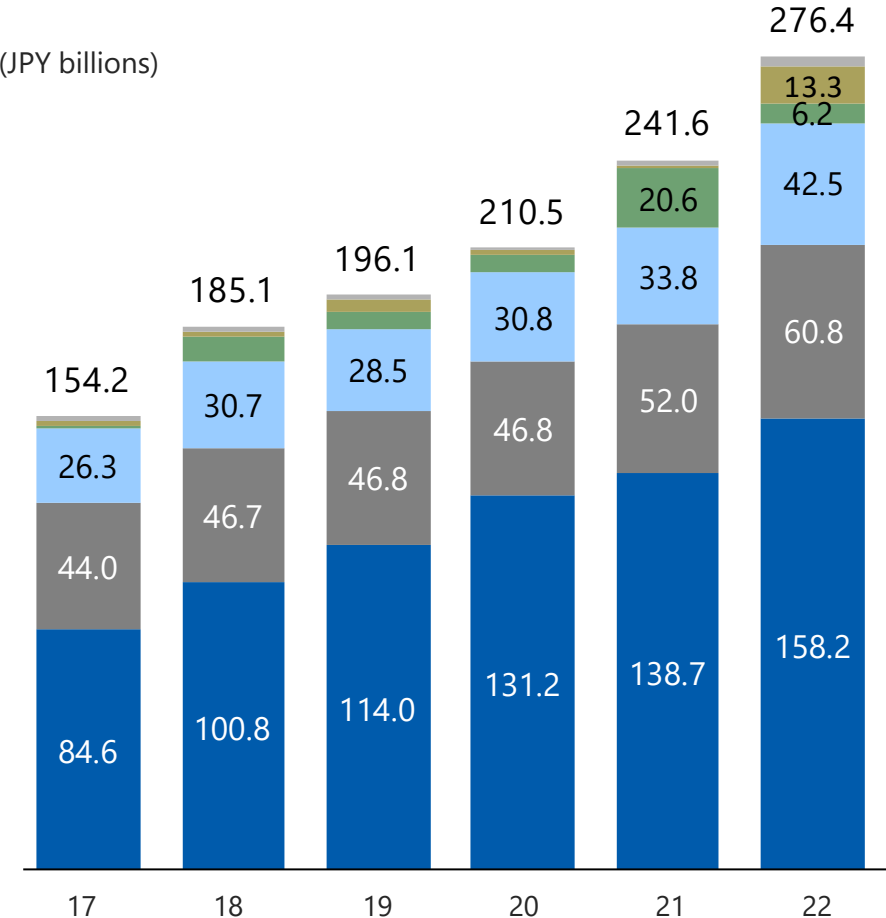
Overview | Financial Results for FY2022

Compared to the same period last year (old v.s. old)

Net Sales

Up **14.4%** YoY

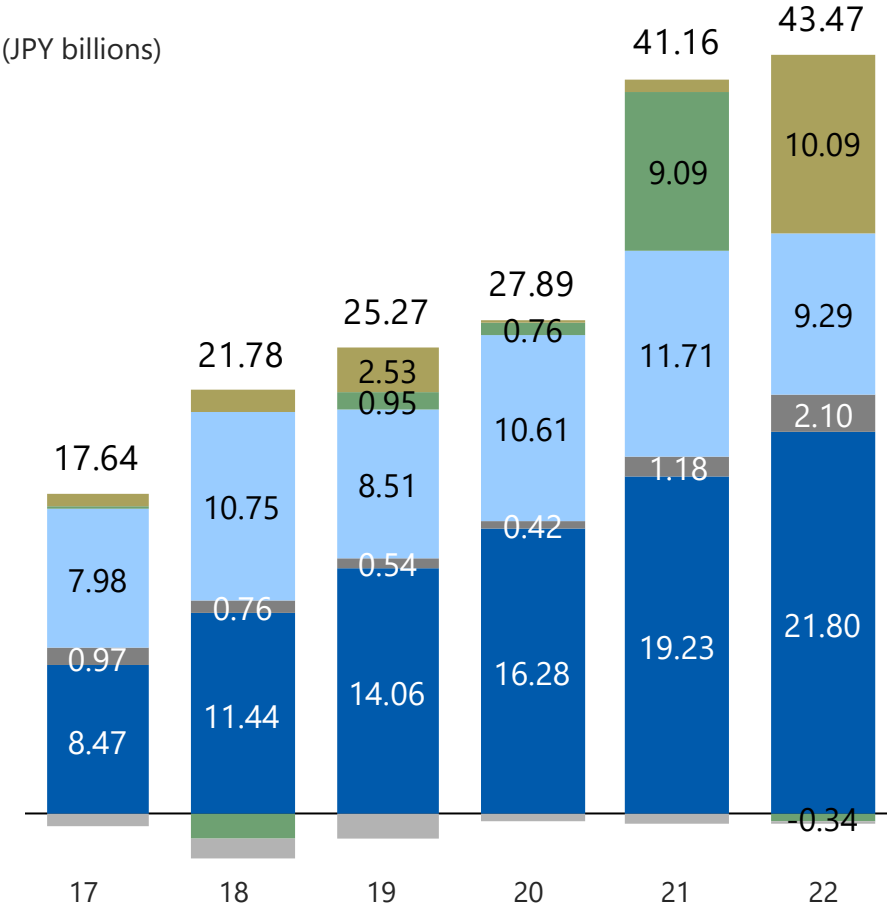
Record high



Operating Profit

Up **5.6%** YoY

Record high



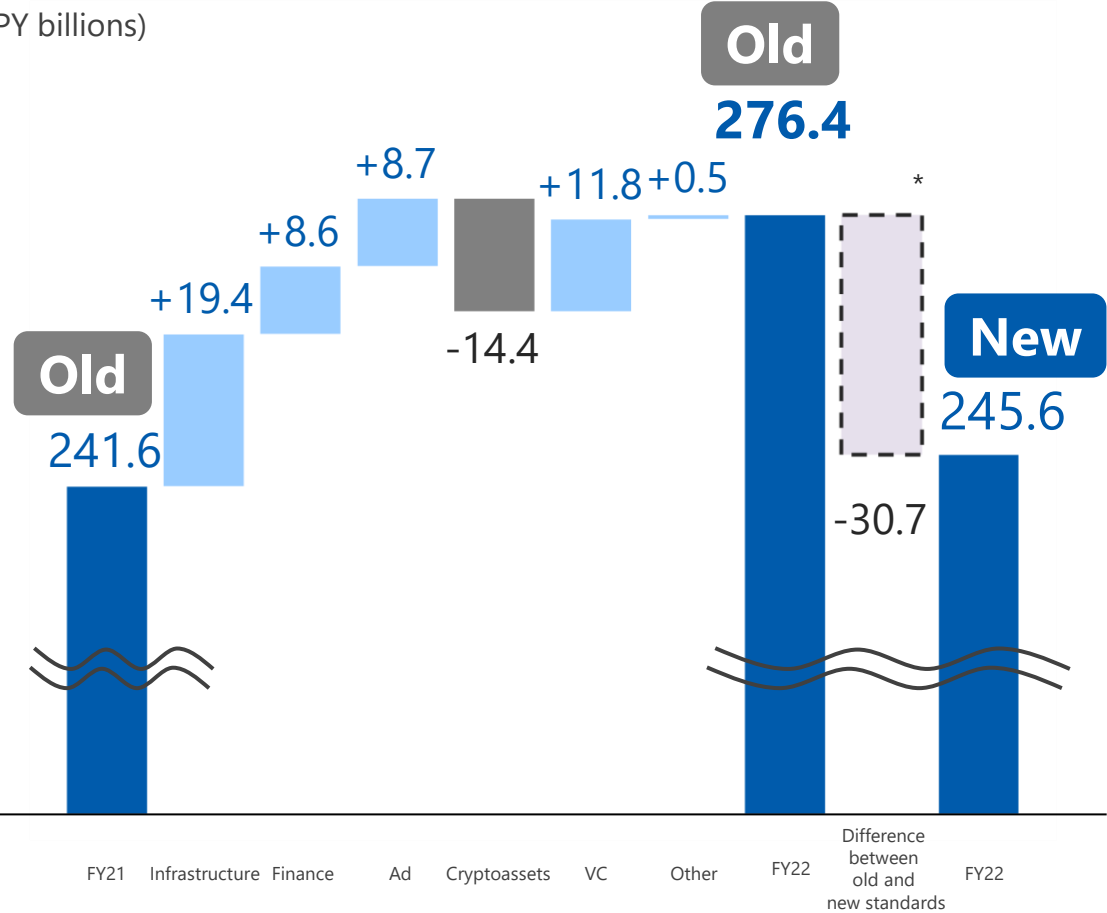
- Other
- Incubation
- Cryptoassets
- Internet Finance
- Online Ads/Media
- Internet Infrastructure

Overview | Executive Summary: FY2022

Net sales

Up **34.8B** YoY

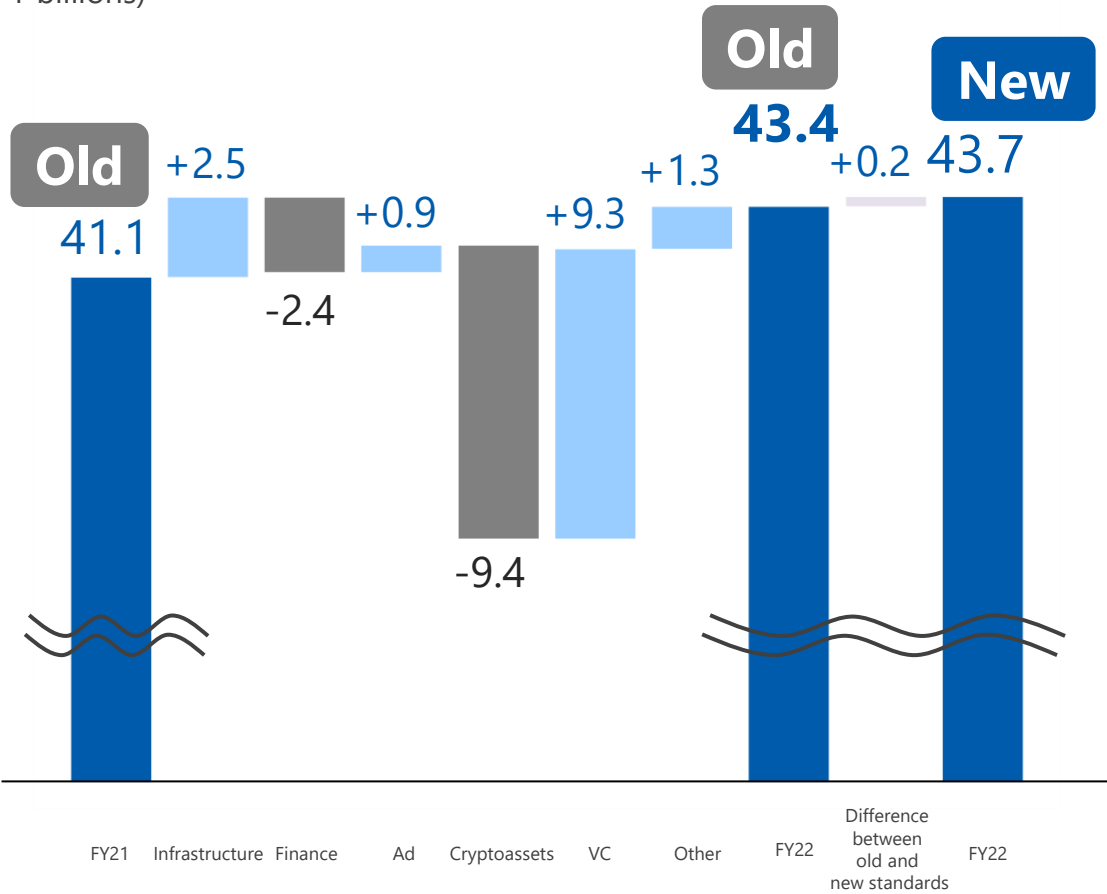
(JPY billions)



OP

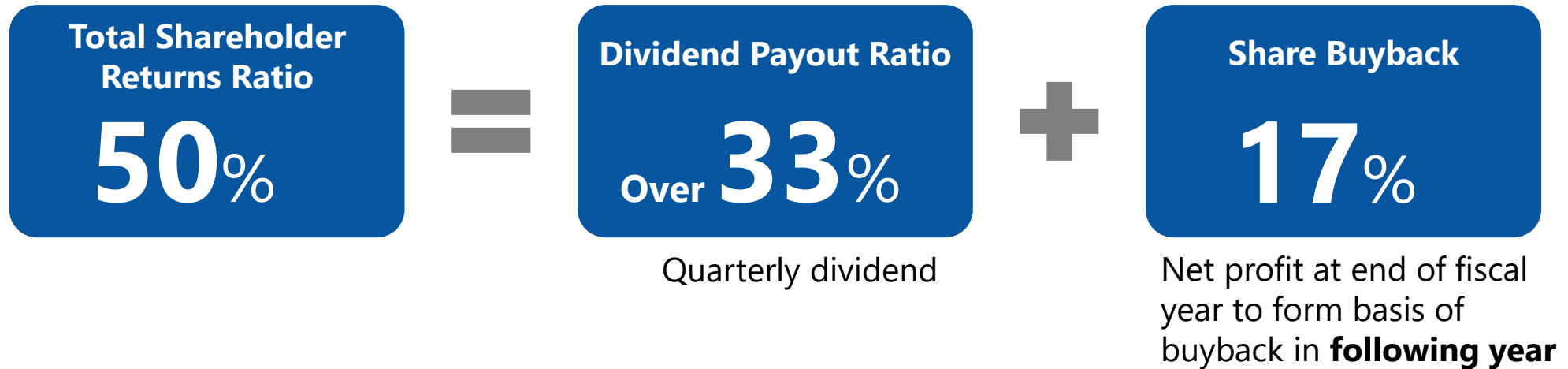
Up **2.3B** YoY

(JPY billions)

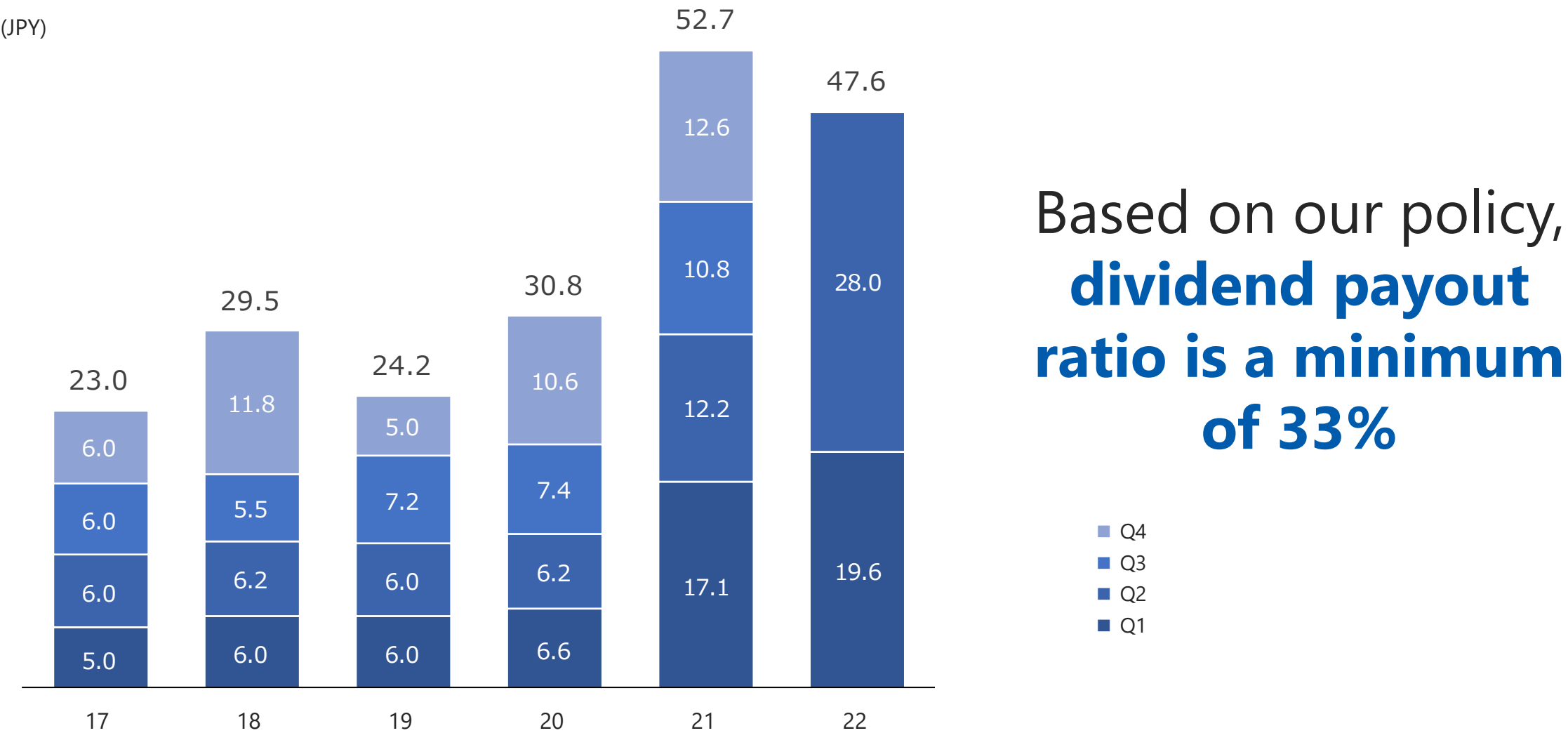


*Breakdown of difference between old and new standards:
Infrastructure -8.1B; Ad -26.8B; inter-segment adjustment +4.2B, etc.

Overview | Shareholder Returns (Policy)



Overview | Shareholder Returns (dividend per share)



Overview | Shareholder Returns (treasury stock acquired/retired)

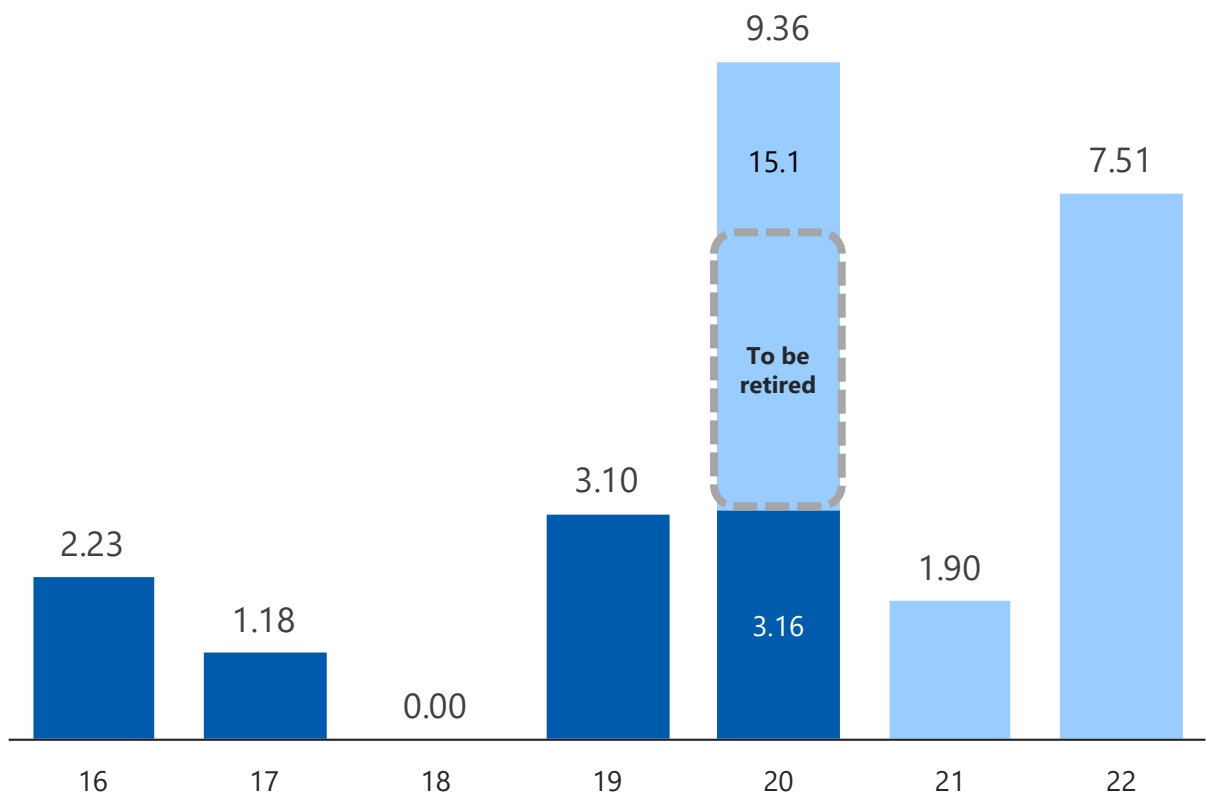
c.f. press release dated July 30, 2015, entitled “**Notice of Revision to Shareholder Returns Policy with Long Term Share Buyback Plan**”

Long-term aim	38.35 M shares	
Acquired	12.12 M shares	(progress: 31.6%)
Retired	7.10 M shares	(progress: 18.5%)

Overview | Shareholder Returns (total shareholder returns)

(JPY billions)

- Acquisition amount of our own stock (not yet retired)
- Acquisition amount of our own stock (retired)



Total acquisition
amount of our own
stock :

JPY **25.3**_B

Overview | Shareholder Returns (acquisition of treasury stock)

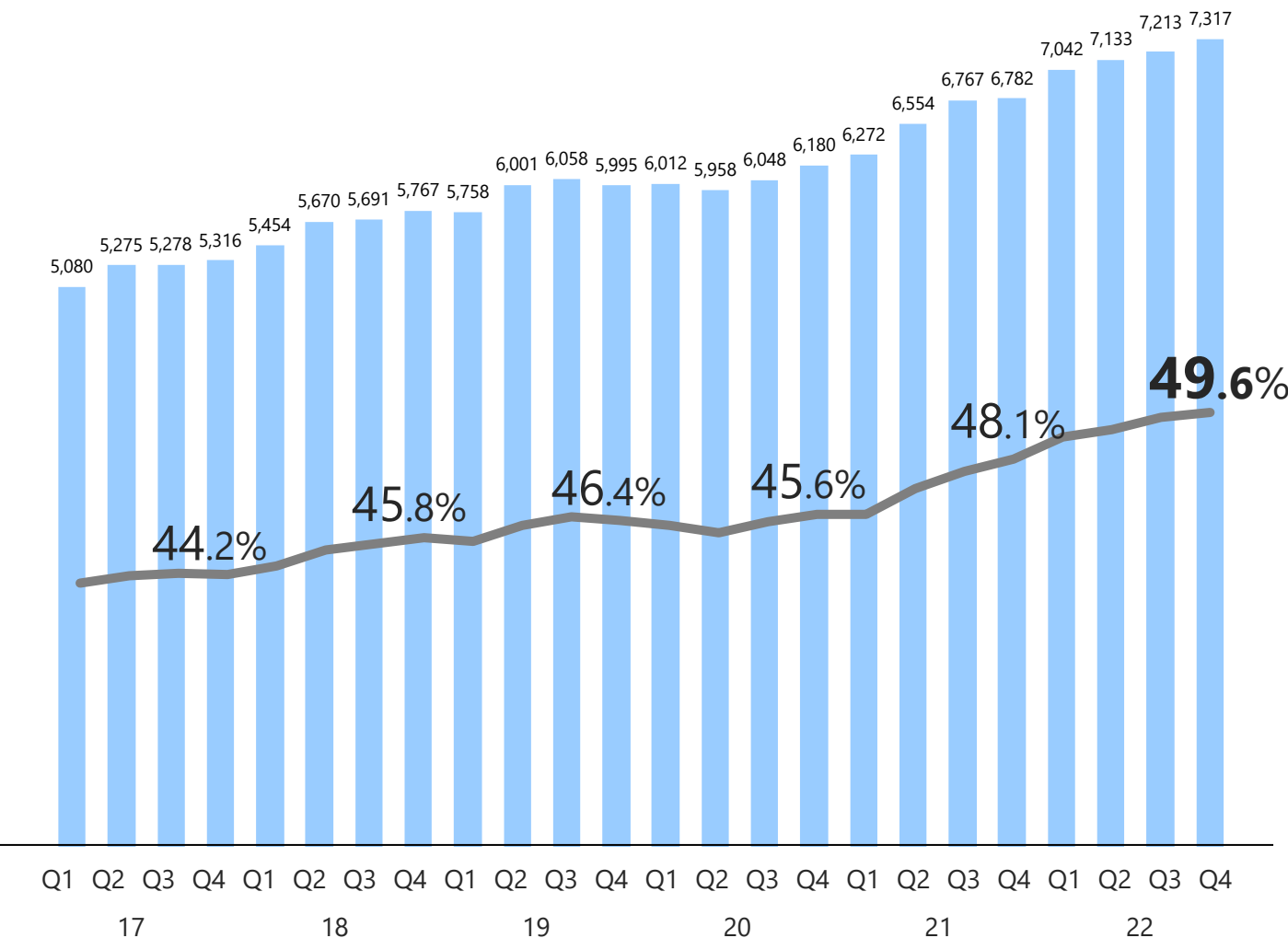
Total cost of share acquisition	Up to JPY 1.51B
Total number of shares to be acquired	Up to 0.7M shares (to be retired) 0.66% of shares issued (as of December 2022)
Acquisition period	February 14, 2023, through to February 9, 2024

Strengths

Strengths (1)

**Operations and
development of our
own technology**

Strengths (1) | Operations and development of our own technology



Goal: Workforce of over
50% engineers



Goal: **60%**



Partners
% Engineers

* Not including partners of GMO Internet Group affiliates accounted for by the equity method (such as GMO Aozora Net Bank), which was 258 as of the end of December 2022.

Strengths (2)

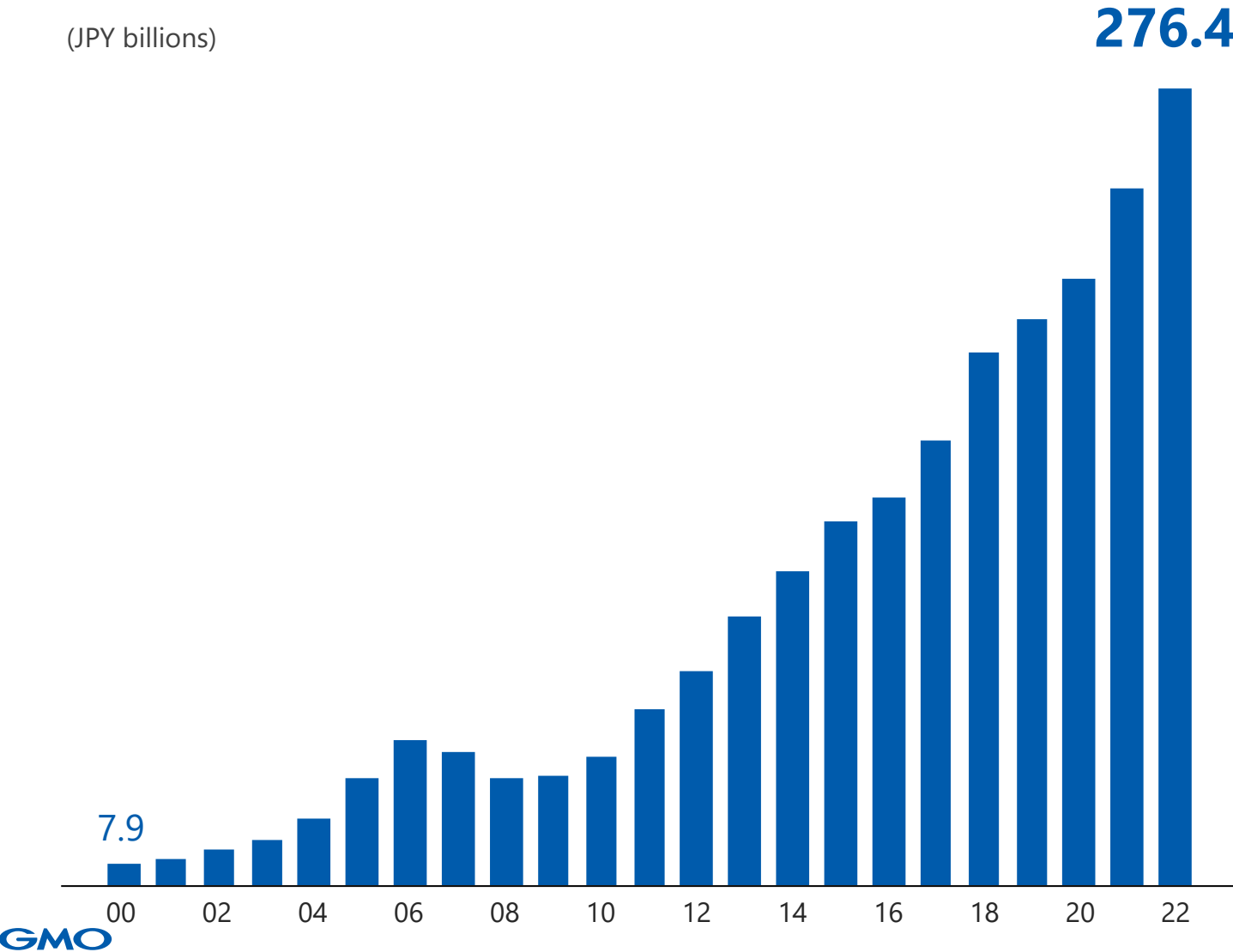
Solid recurring revenues

Strengths (2) | Solid recurring revenue

**Indispensable products that will not
disappear
and
recurring revenue business model**

Strengths (2) | Consolidated net sales

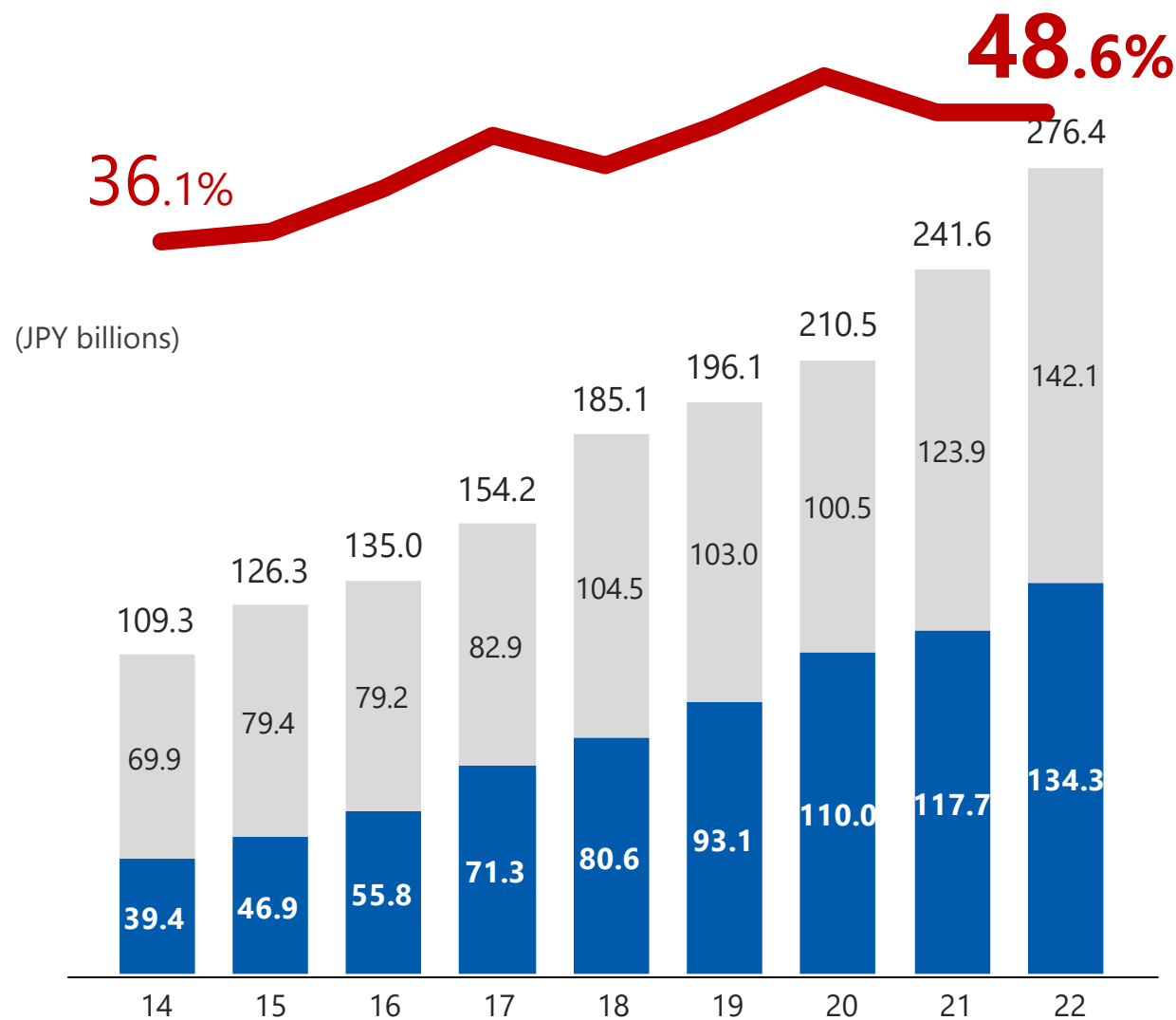
Old



Sustainable growth

Strengths (2) | Analysis of consolidated net sales

Old



**Solid recurring
revenues that
support sustainable
growth**

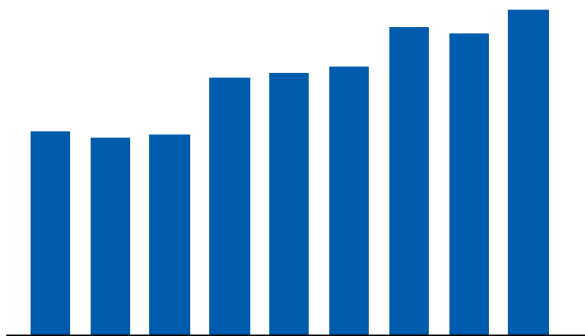
- Solid recurring revenue*
- Other revenue
- Solid recurring revenue ratio (%)

* The sum of Domain, Hosting & Cloud, Security, part of the Ecommerce Solutions (ecommerce platform), part of the Payment (recurring and transaction revenues) and Provider

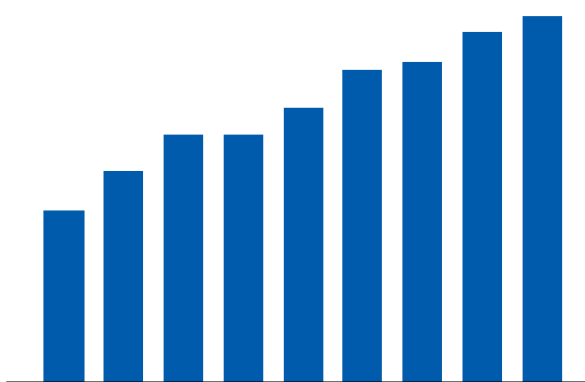
Strengths (2) | Analysis of solid recurring revenues

Old

(JPY) Unit price 10,100^{*1}

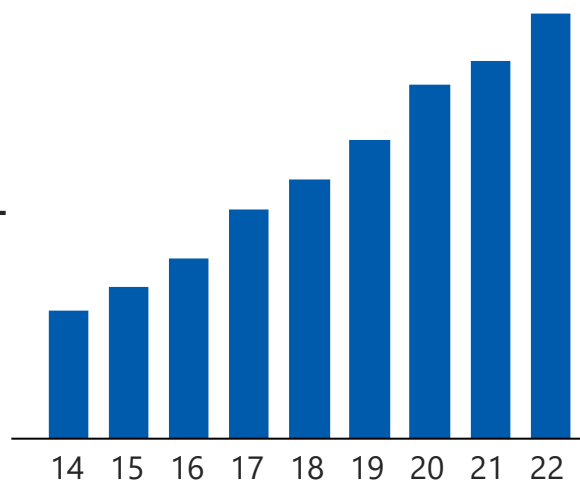


Number of contracts 13.22M^{*2}



×

(JPY billions) Solid recurring revenue 134.3^{*3}



Approx. JPY **10K**^{*1}

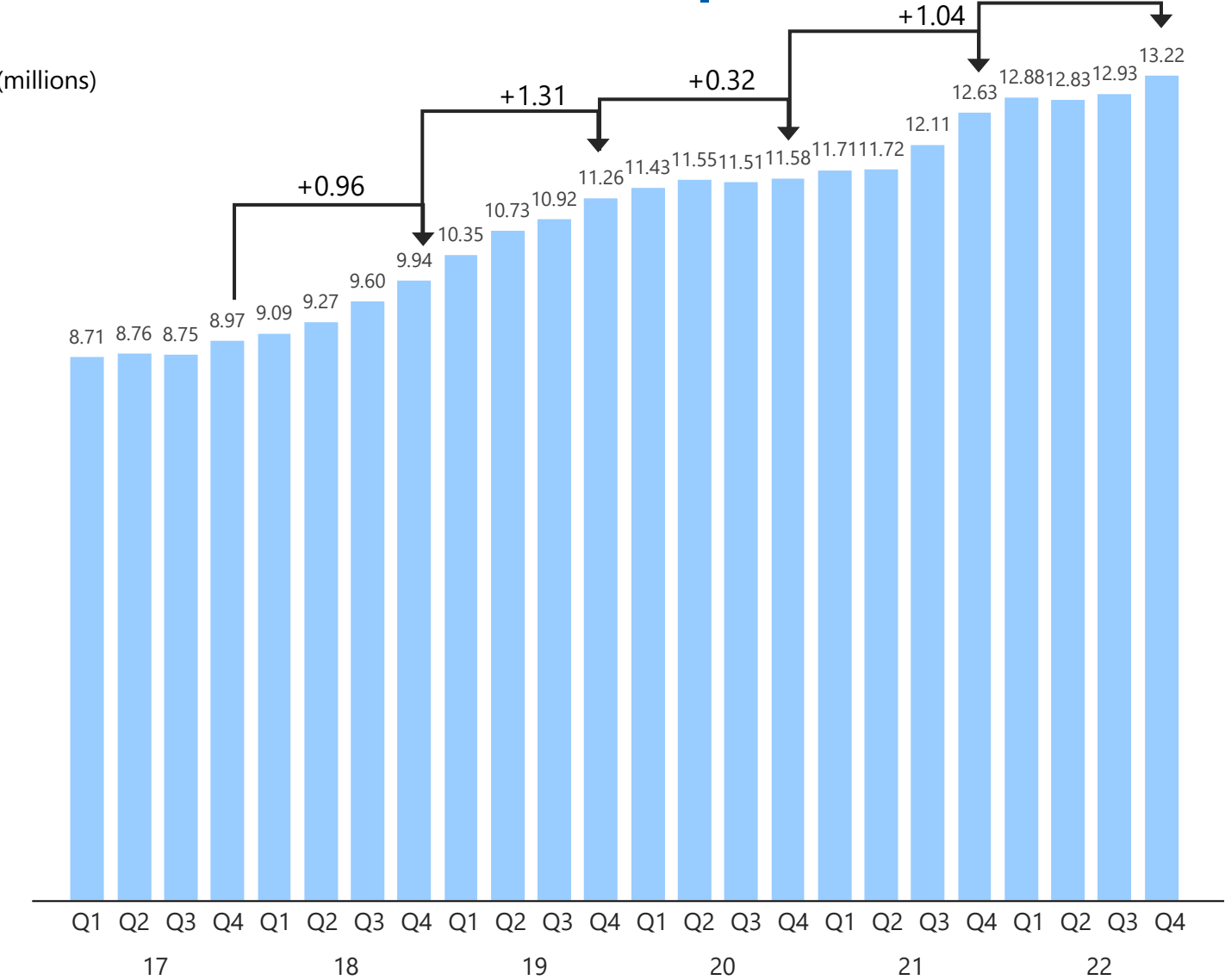
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Approx. **13M** contracts^{*2}



Approx. JPY
130B^{*3}

Internet Infrastructure | Contracts



Solid revenue base

13.22M

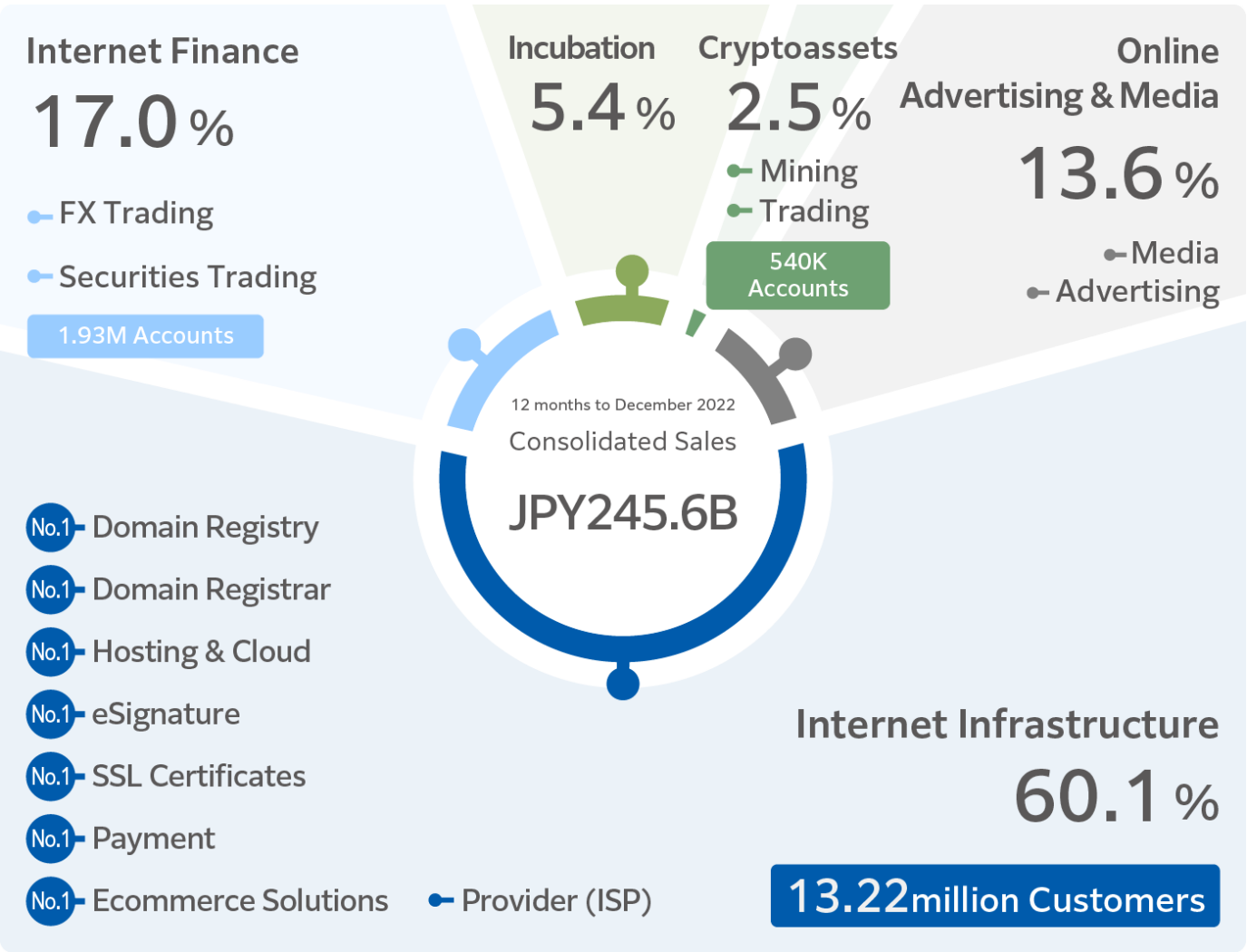
customers

Increased approx.

0.85M/year

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4. Topics

Group Overview | Business Segments (Composition)



Solid revenue base +
financial customer
base

15.70M customers

Up
0.73M
YoY

*Net sales ratio is calculated based on the numbers before cancelling inter-segment transactions. *Number of customers is an aggregate number of customers (the actual number) in Infrastructure, Finance, and Cryptoassets segments.
*Regarding Internet Finance, the number of accounts does not include GMO Aozora Net Bank's accounts. * Old standard: Infrastructure 55.6%; Online Advertising & Media 21.4%; Finance 14.9%; Cryptoassets 2.2%; and Incubation 4.7%.

Group Overview | Listed Group Companies: Equity Share

Stock Code	Stock Name	Exchange	Market Cap ^{*1} (JPY billions)	% Ownership ^{*2}	Equity Share (JPY billions)
9449	GMO Internet Group	Prime	288.7		
3769	GMO Payment Gateway	Prime	921.7	40.7%	375.3
4051	GMO Financial Gate	Growth	73.3	23.5% ^{*3}	17.2
7177	GMO Financial Holdings	Standard	64.3	65.2%	41.9
3788	GMO GlobalSign HD	Prime	51.8	51.8%	26.8
3633	GMO Pepabo	Prime	9.8	59.5%	5.8
4784	GMO AD Partners	Standard	7.3	57.3%	4.1
3695	GMO Research	Growth	5.2	54.8%	2.8
6180	GMO Media	Growth	3.3	66.0%	2.2
6026	GMO TECH	Growth	1.9	54.1%	1.0
Group Total			1,427.8^{*4}		477.6

*1 Market value as of February 10, 2023

*2 Includes indirect holdings (as of the end of December)

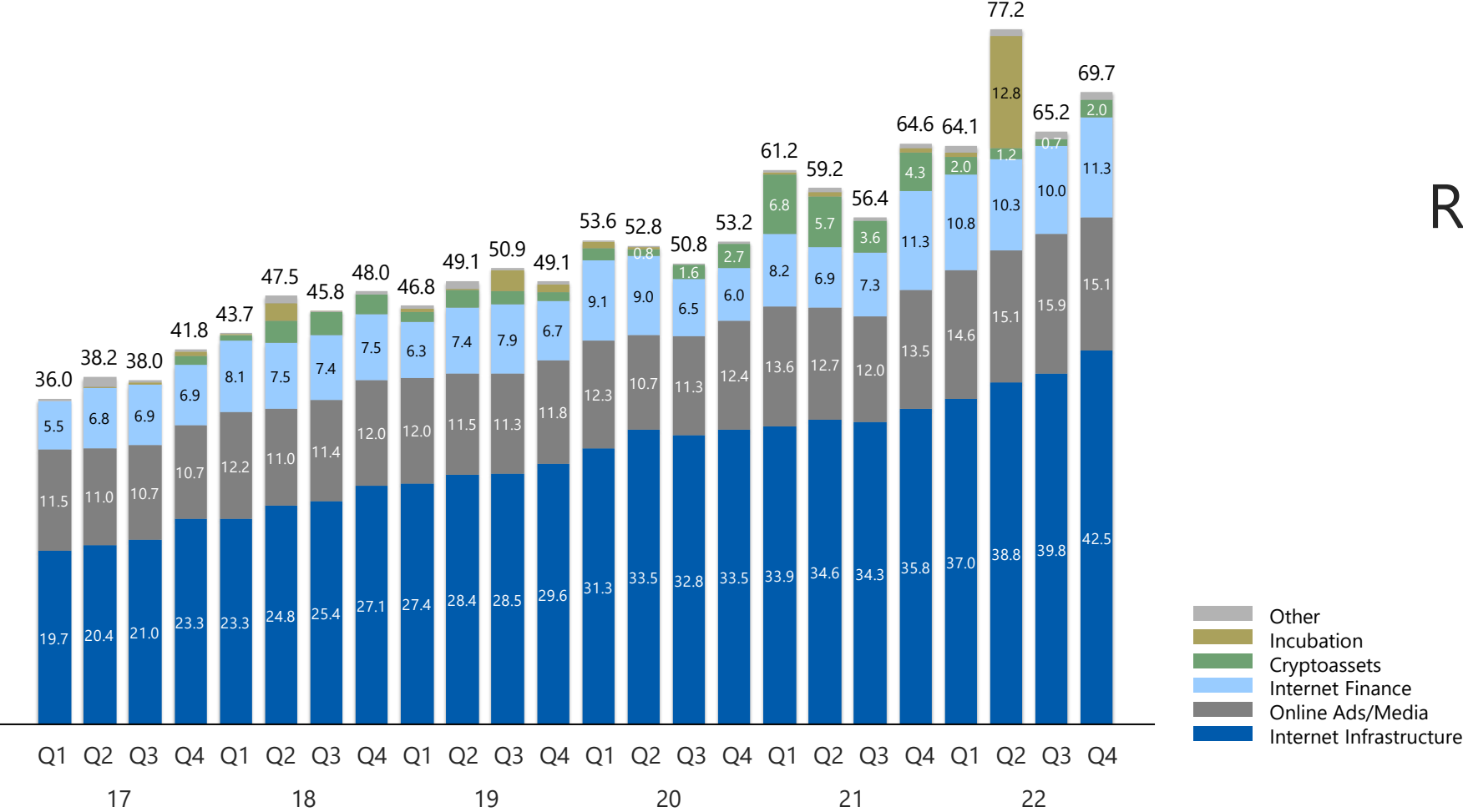
*3 GMO Internet Group owns 23.5% of GMO-FG indirectly through GMO-PG

*4 Calculated as the sum of the listed market cap values

Group Overview | Net Sales by Segment

(JPY billions)

Compared to the same period last year (old v.s. old)

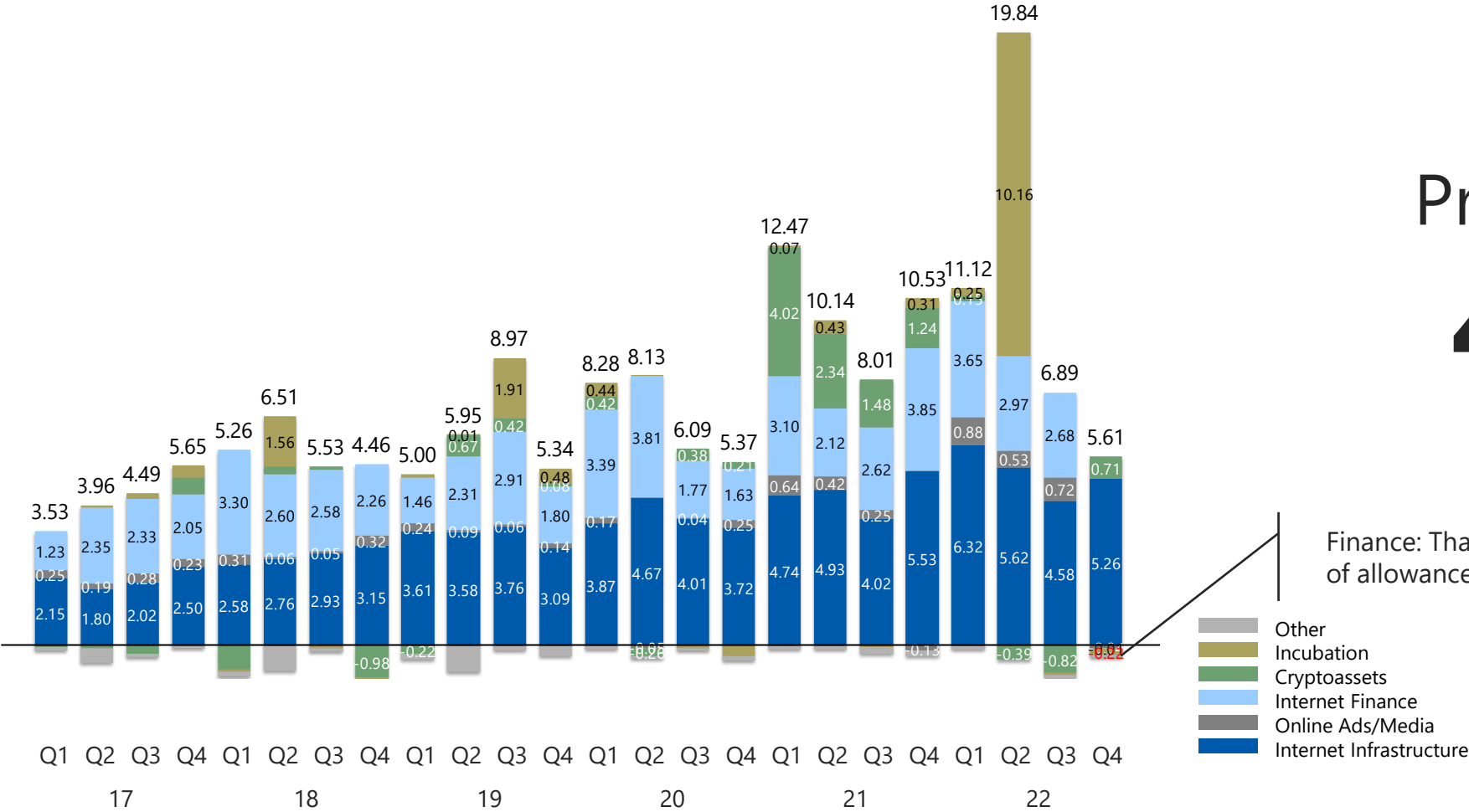


Revenue up
7.5%
YoY

Group Overview | Profit by Segment

(JPY billions)

Compared to the same period last year (old v.s. old)



Profit down
46.7%
YoY

Finance: Thailand's Internet Securities posted the provision of allowance for doubtful accounts of JPY 3.5B

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Internet Infrastructure | Collection of No. 1 services

Strong No. 1	Domain Registry	GMO REGISTRY	Domestic market share at 83.0% *1
Strong No. 1	Domain Registrar	  	Domestic market share at 82.3% *2
No. 1	Hosting & Cloud	    	Domestic market share at 56.9% *3
No. 1	ASP Cart	 	57k paid stores
No. 1	Security		Domestic market share at No. 1 *4
No. 1	eSignature	電子印鑑なら 	1.07M accounts
No. 1	Cybersecurity	 	Number of white hat hackers No. 1 *5
No. 1	Payment	 	147,204 merchants *6
No. 1	Provider (ISP)		No. 1 *7 provider in terms of customer satisfaction

*1 Based on our own data *2 Based on ICANN data in July *3 Based on domaintools.com data *4 Country code based on Netcraft data

*5 Based on the Fermi estimate

*6 Figure excludes the number of stores related to major delivery services

*7 In 2020, Oricon announced that GMO TokuToku BB became the top-ranked provider in terms of customer satisfaction

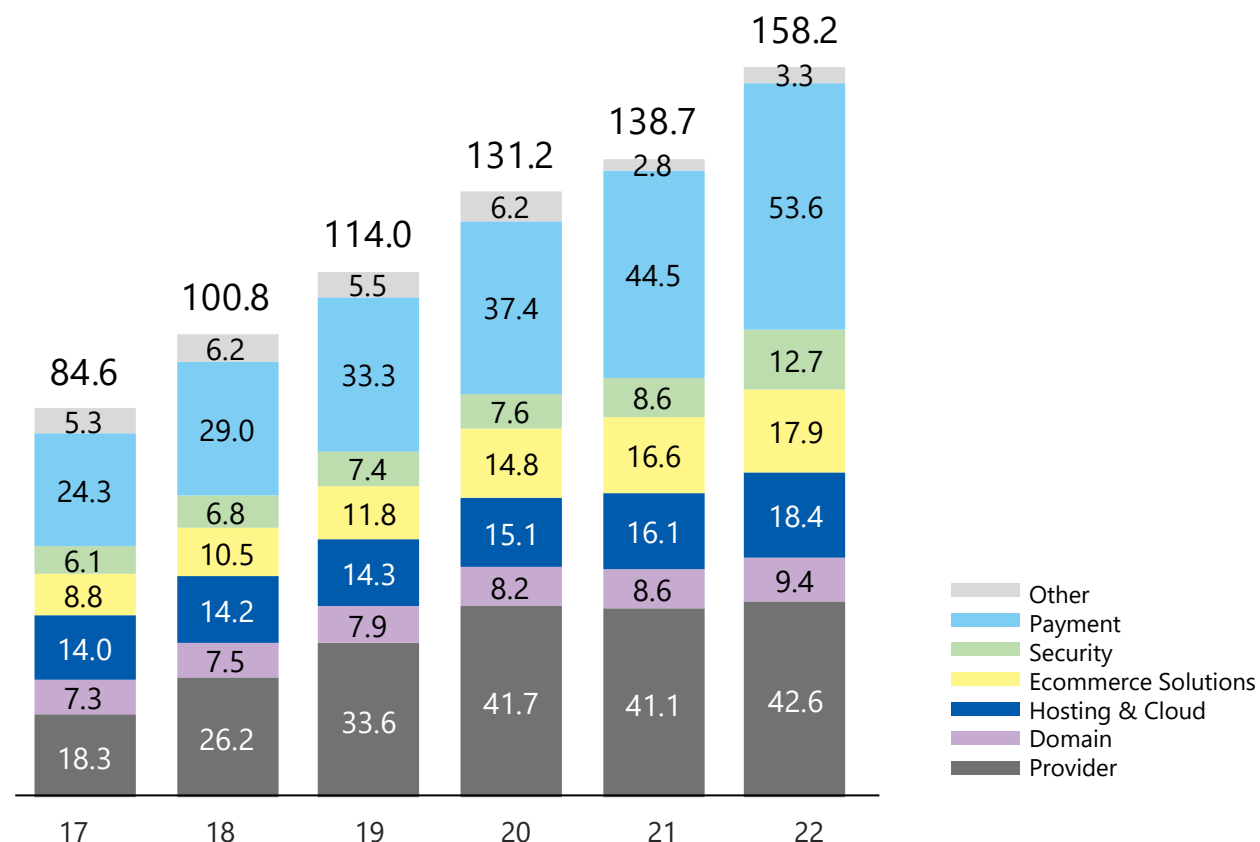
Internet Infrastructure | Full-year results trends

Compared to the same period last year (old v.s. old)

Net Sales: Up **14.0%** YoY

Record high

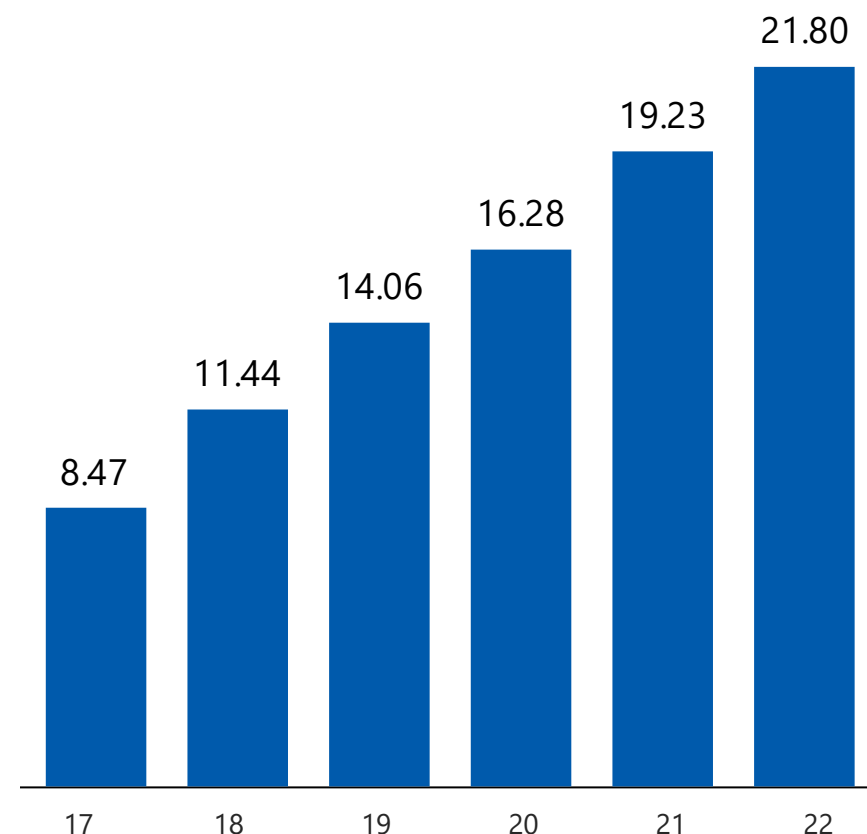
(JPY billions)



Operating Profit: Up **13.4%** YoY

Record high

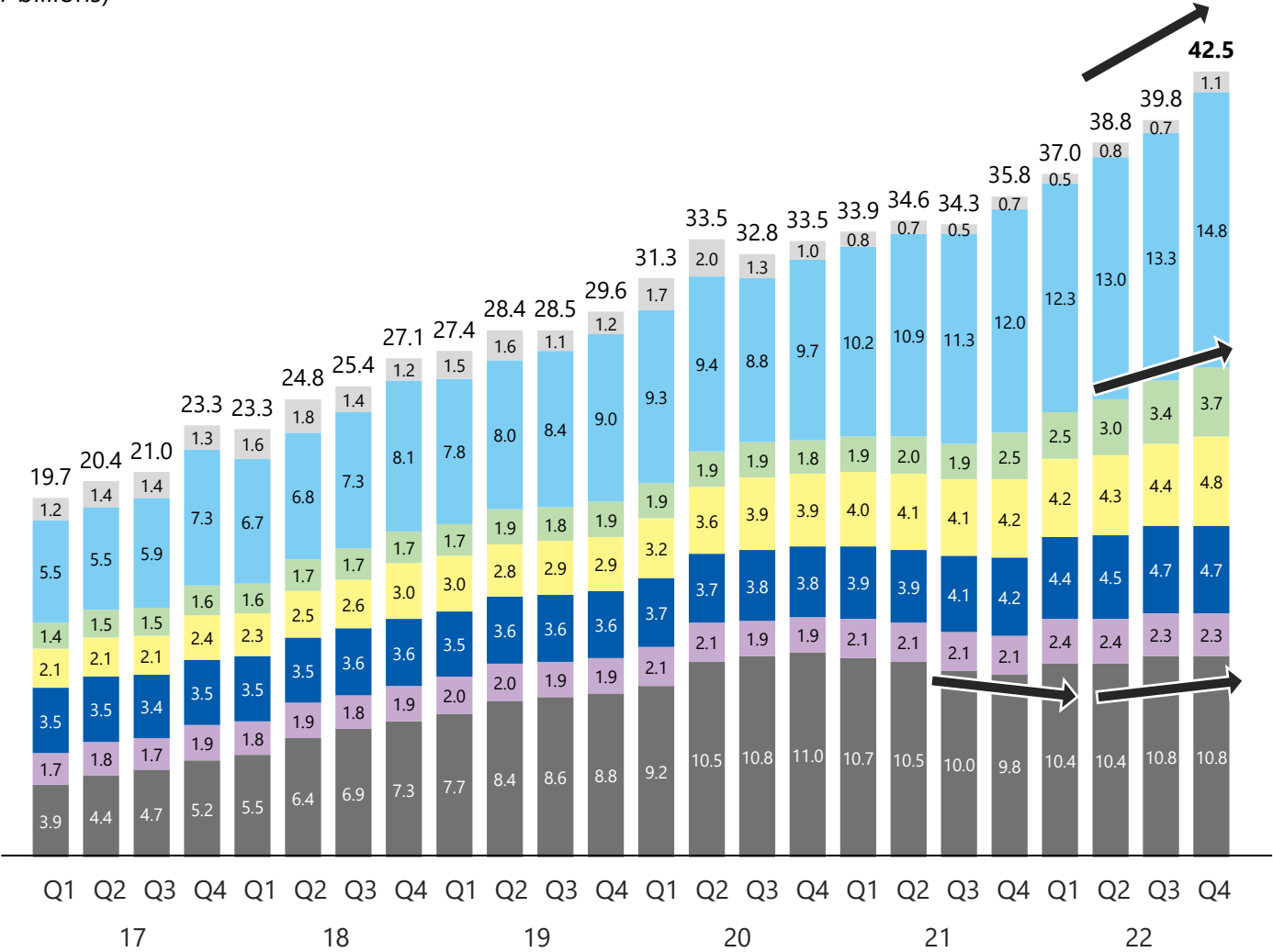
(JPY billions)



Internet Infrastructure | Net Sales by Sub-Segment

(JPY billions)

Compared to the same period last year (old v.s. old)



Revenue up
18.6%
YoY

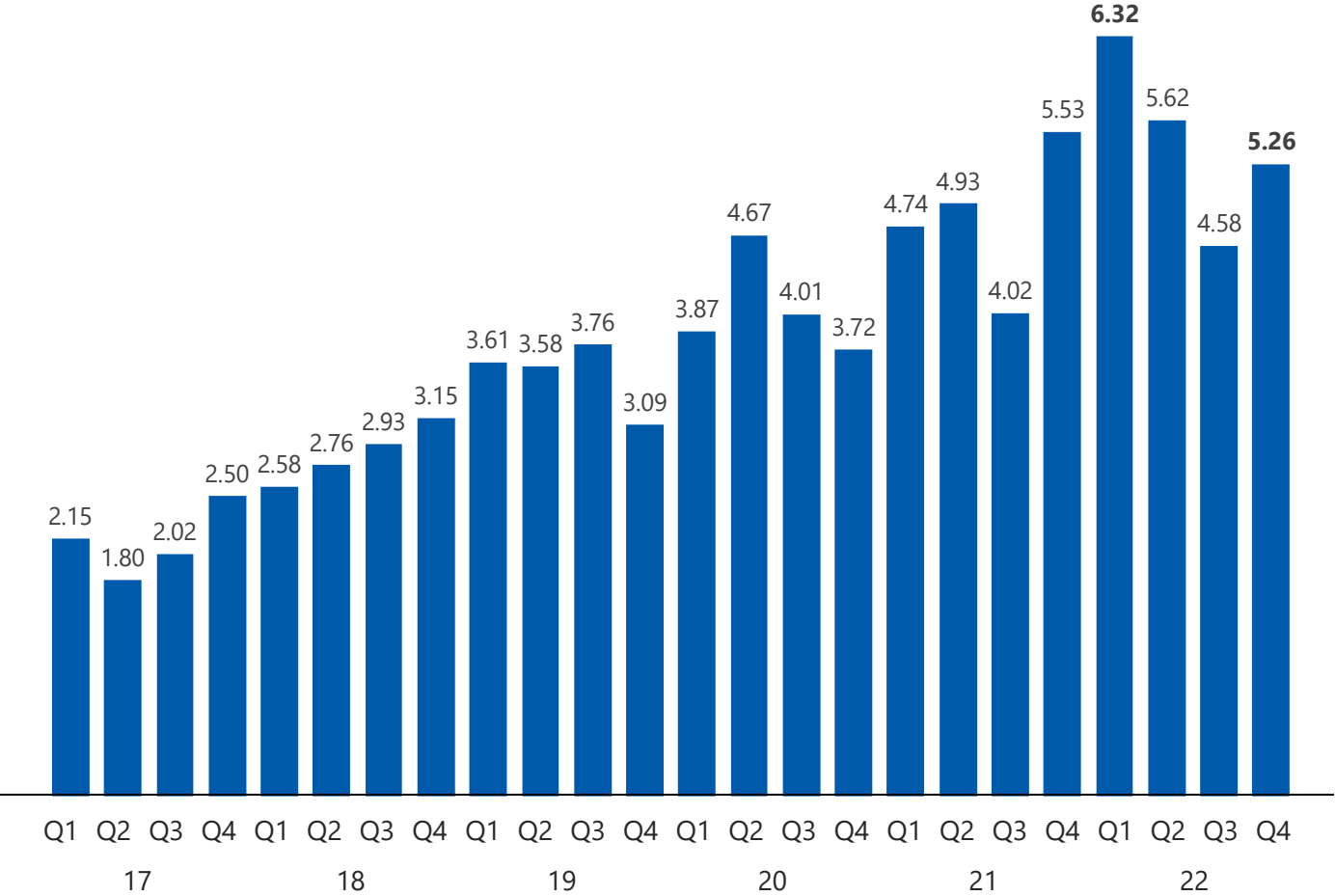
- Other
- Payment
- Security
- Ecommerce Solutions
- Hosting & Cloud
- Domain
- Provider

* Numbers of domain and security businesses revised retroactively to Q1 FY2017 due to changes in the structure of the segment

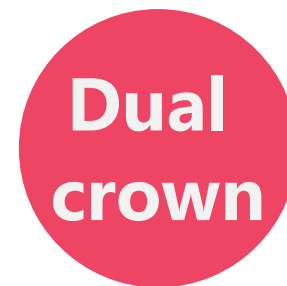
Internet Infrastructure | Operating Profit

(JPY billions)

Compared to the same period last year (old v.s. old)



Profit down
4.8%
YoY



電子印鑑なら
GMOサイン

Number of e-contract accounts: **No. 1**

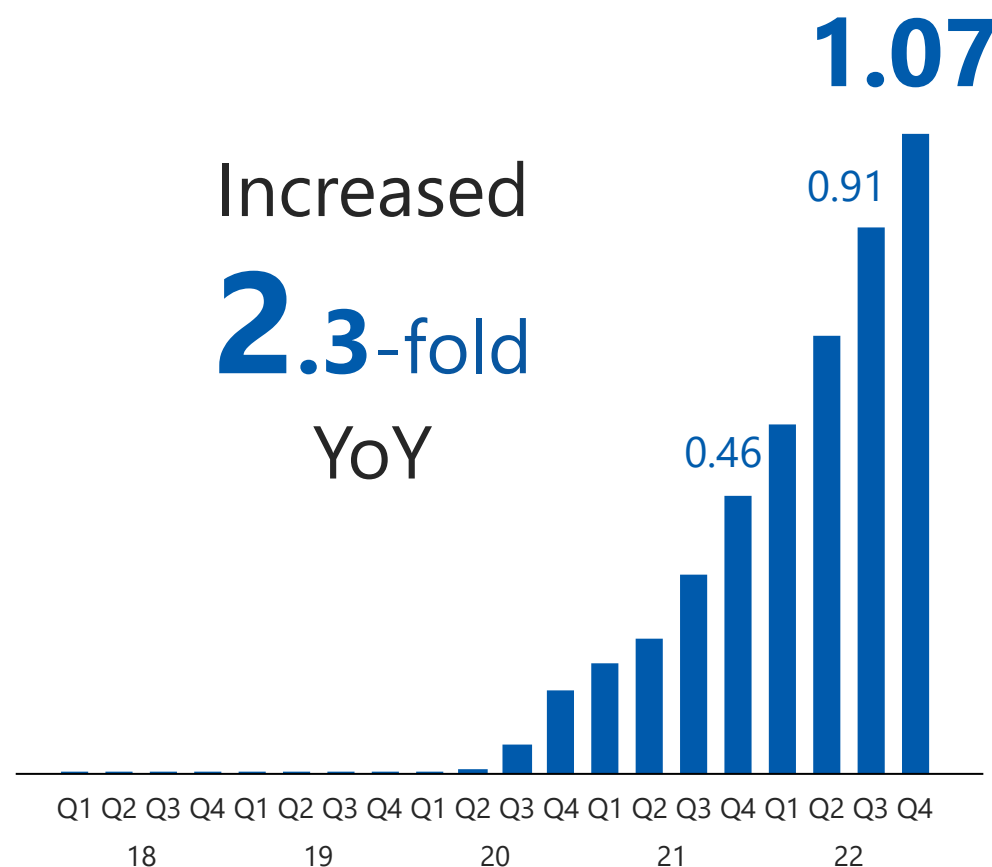
Number of contracts: **No. 1**

Internet Infrastructure | Number of e-contract accounts

電子印鑑なら
GMOサイン

(millions)

Increased
2.3-fold
YoY



Number of e-contract
accounts
No. 1



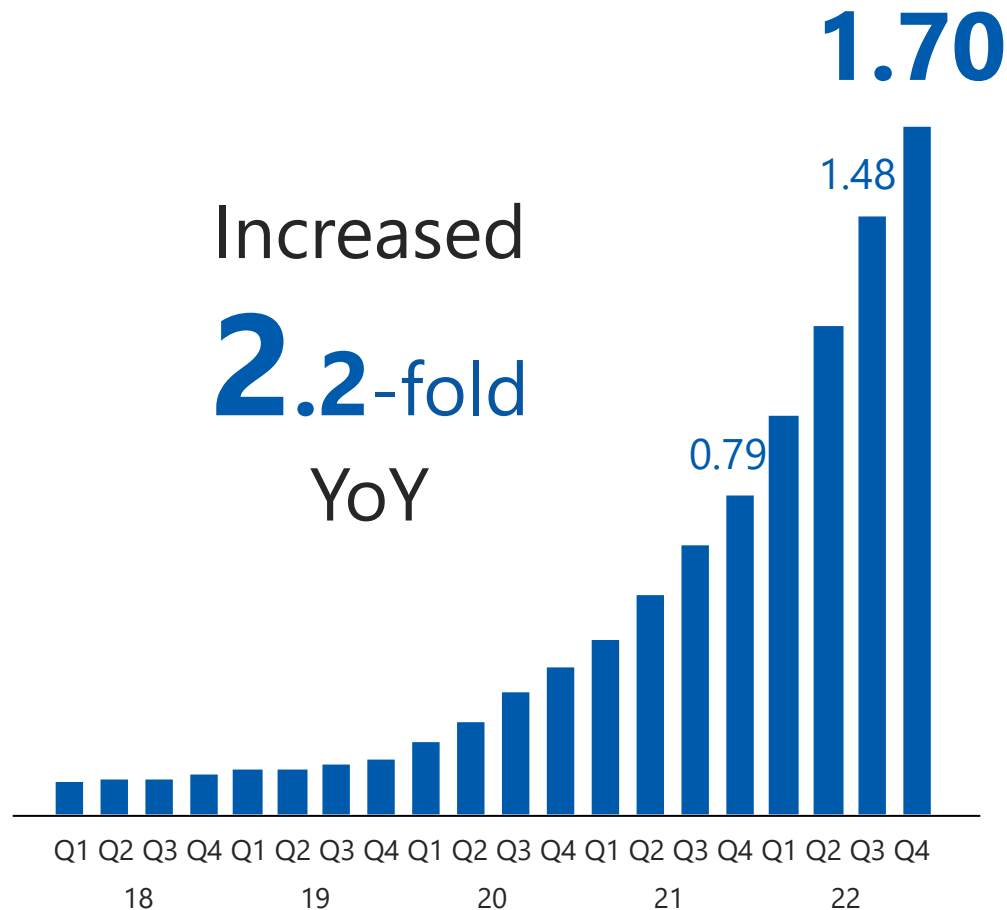
User companies (extract)



Internet Infrastructure | Number of contracts

電子印鑑なら
GMOサイン

(millions)



**Dual
crown**



Number of contracts
No. 1



Internet Infrastructure | Digital government

Adoption by **30** local governments was determined^{*1}

Become No. 1 in terms of the number of local governments introducing GMO Sign. Aim at triple crown.



Local governments introducing GMO Sign (extract)

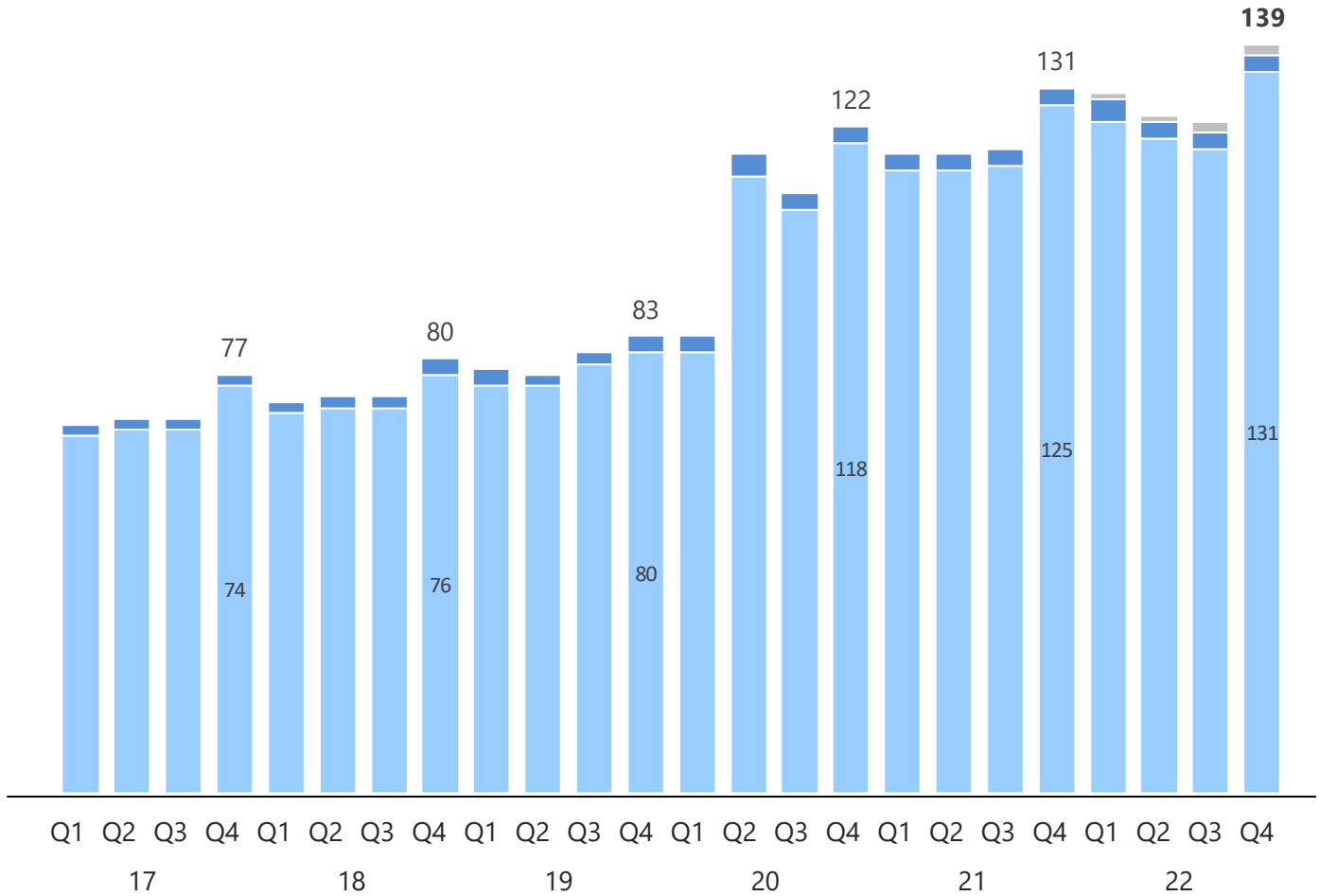
Tokyo ^{*2}	Gunma	Yamaguchi	Oita
Fukuoka City, Fukuoka Prefecture	Toyota City, Aichi Prefecture	Kawasaki City, Kanagawa Prefecture	
Yokosuka City, Kanagawa Prefecture	Higashi-osaka City, Osaka Prefecture	Toyonaka City, Osaka Prefecture	
Chigasaki City, Kanagawa Prefecture	Tatsuno City, Hyogo Prefecture	Amami City, Kagoshima Prefecture	
Inabe City, Mie Prefecture	Sanjo City, Niigata Prefecture	Sakai City, Fukui Prefecture	
Shiso City, Hyogo Prefecture	Nagahama City, Shiga Prefecture		

^{*1}: Including local governments at an experimental stage such as trials.

^{*2}: Business Chance Navi managed by Tokyo Metropolitan Small and Medium Enterprise Support Center introduced GMO Sign.

Internet Infrastructure | Ecommerce Solutions: transaction volume

(JPY billion)



Up
6.3%
YoY

Freenance
SUZURI, Canvath
minne
Ecommerce Platform

Internet Infrastructure | Adjustment costs to maintain our services

Introducing adjustment costs, in response to an increase in costs due to rise in the electricity charges, weak yen, semiconductor shortages, etc.

► **Impact on the customer retention rate and the number of new applications is insignificant.**

Net sales	Proportion of billed amount (planned)*	Schedule
Domain	Around 10-20%	Applies to procedures and billed amount on February 1, 2023, and beyond
Hosting & cloud	10%	

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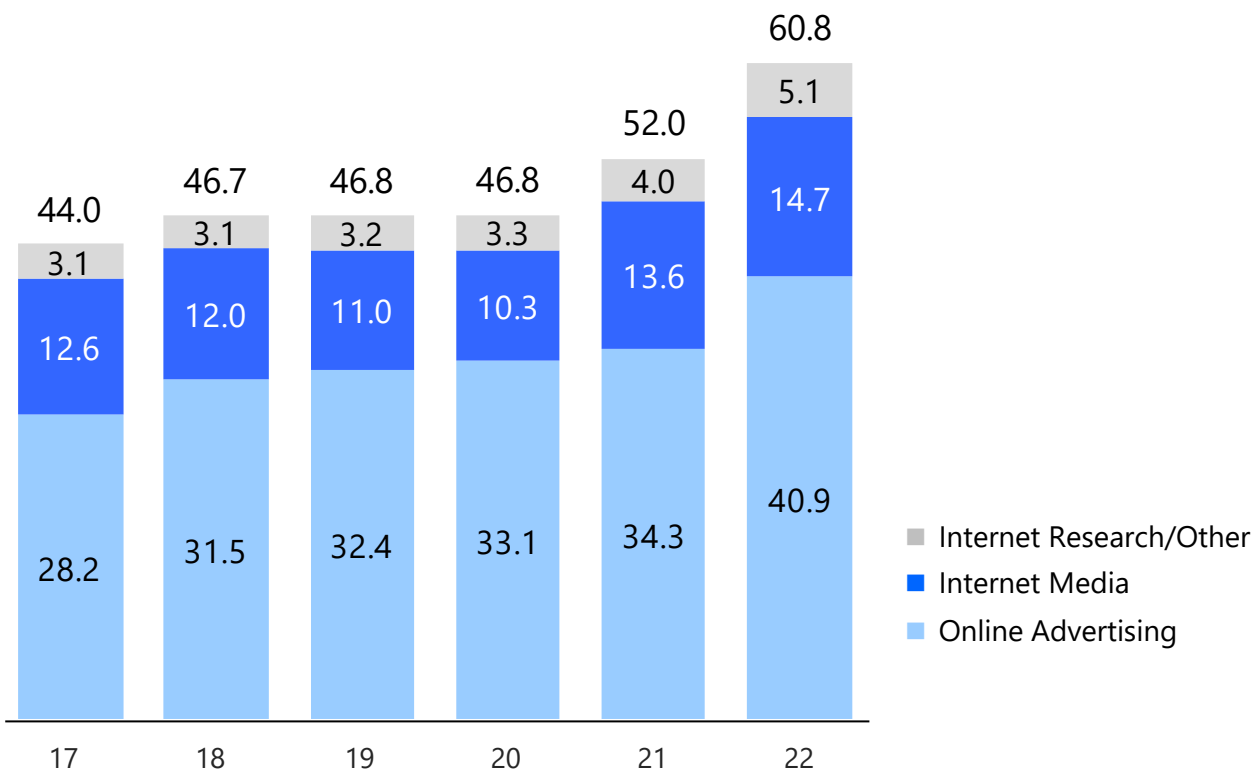
Online Advertising & Media | Full-year results trends

Compared to the same period last year (old v.s. old)

Net Sales: Up **16.9%** YoY

Record high

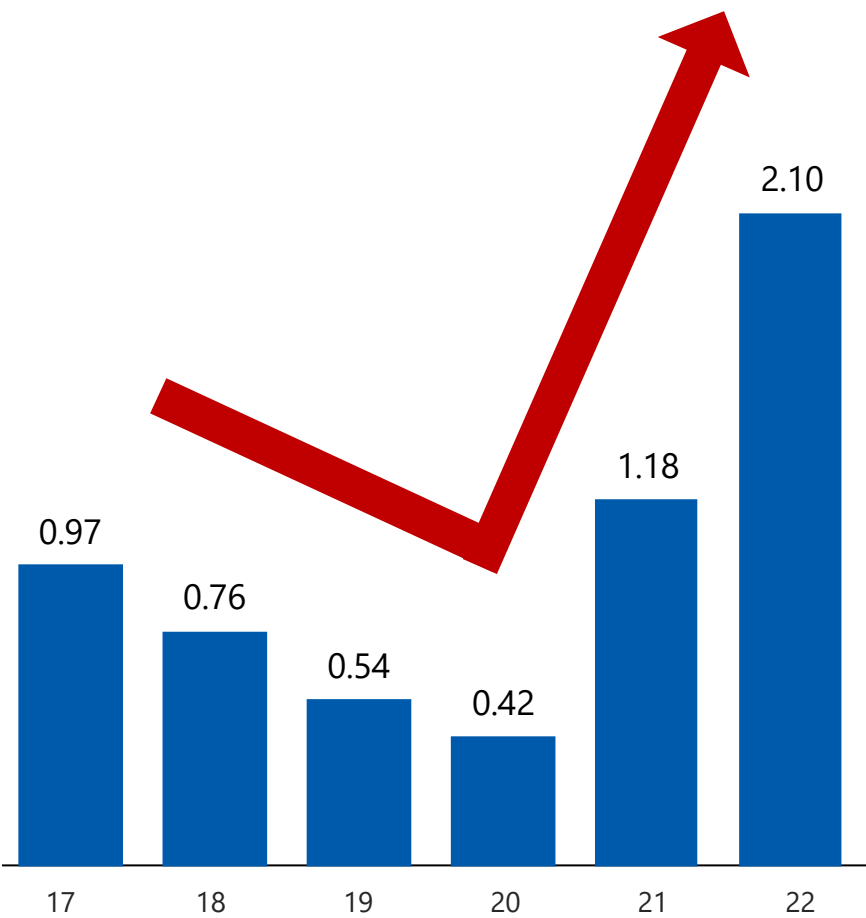
(JPY billions)



Operating Profit: Up **77.2%** YoY

Record high

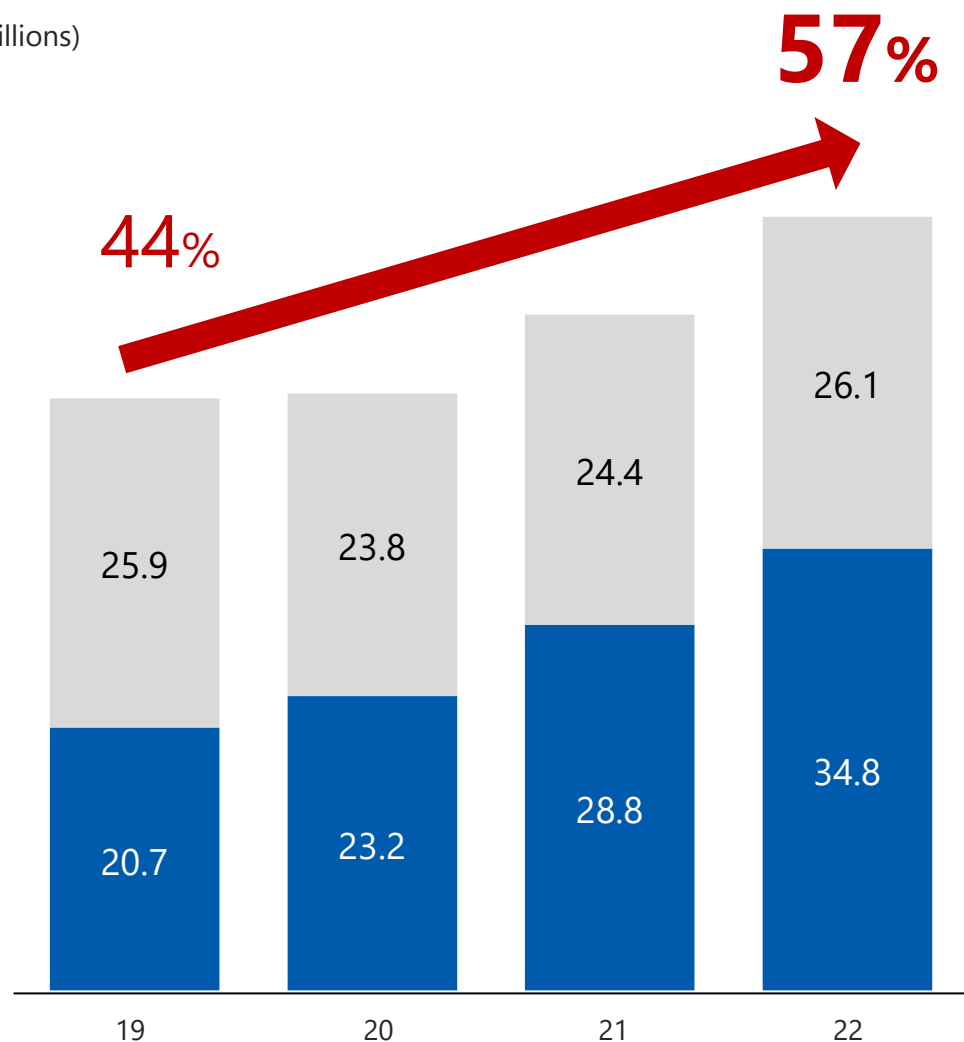
(JPY billions)



Online Advertising & Media | Ratio of the in-house products

旧

(JPY billions)



Accelerated in-house product shift

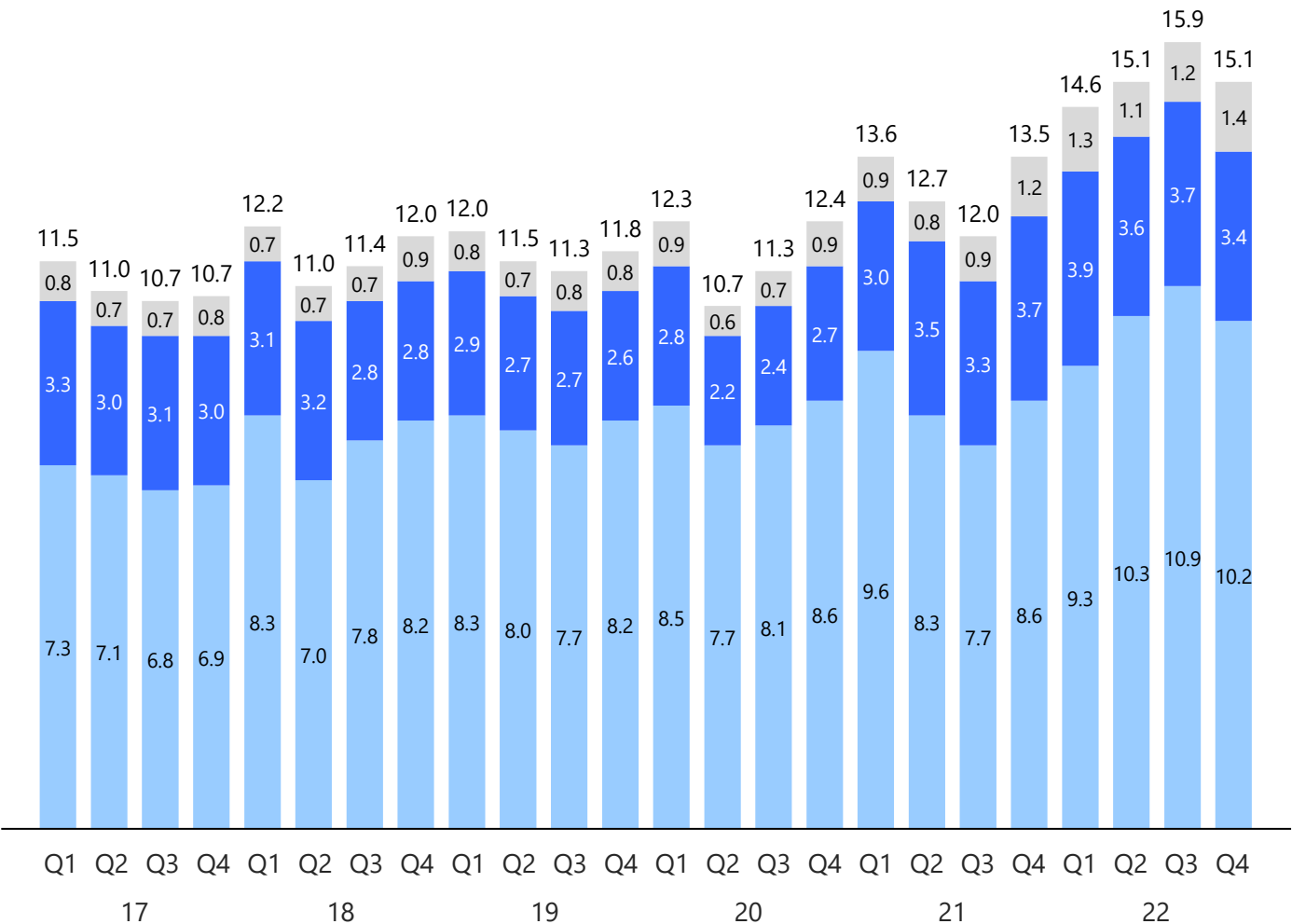
- Net sales of in-house products and media*
- Other net sales
- Ratio of the in-house products (%)

* Calculated based on consolidated net sales of GMO-AP, GMO-TE, GMO-ME, and GMO-RE.

Online Advertising & Media | Net Sales

(JPY billions)

Compared to the same period last year (old v.s. old)



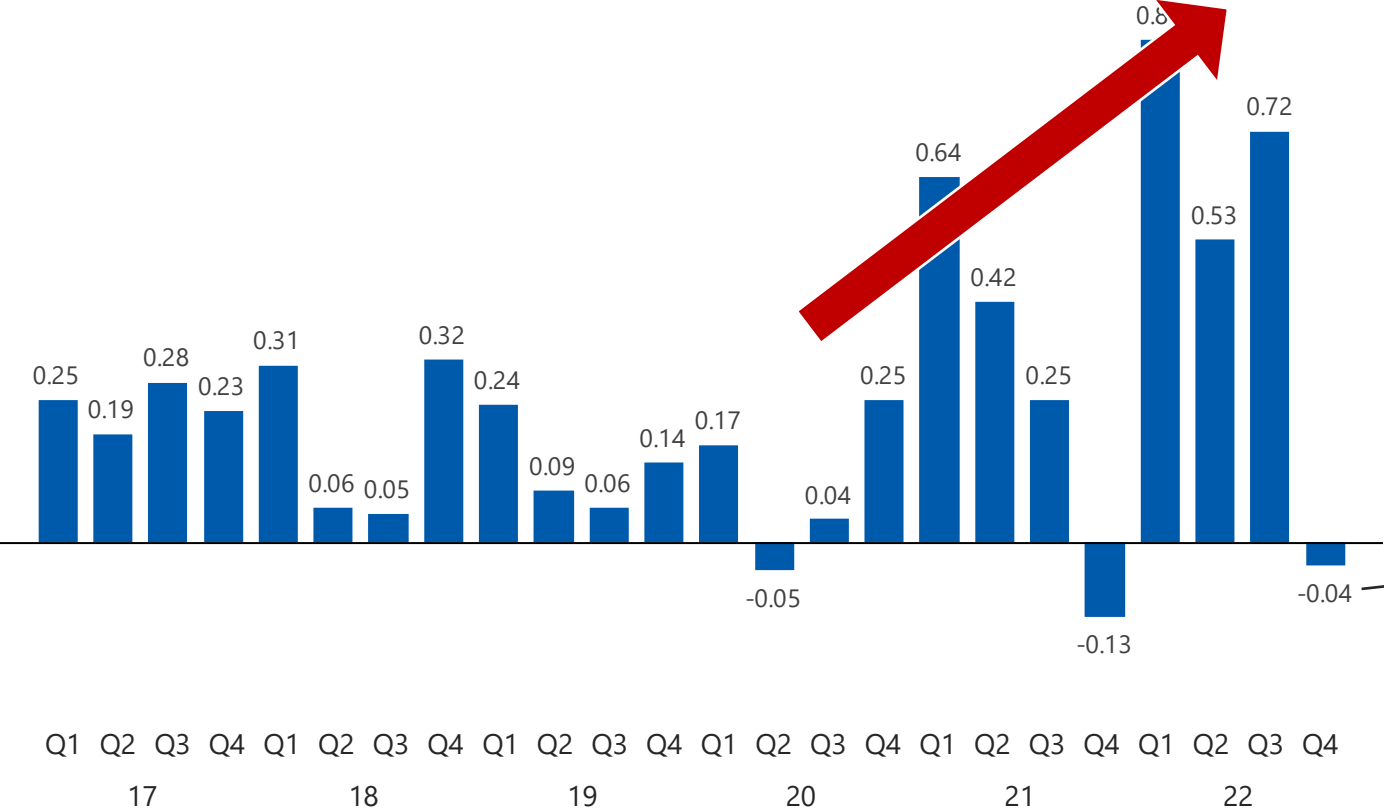
Revenue up
11.4%
YoY

- Internet Research/Other
- Internet Media
- Online Advertising

Online Advertising & Media | Operating Profit

(JPY billions)

Compared to the same period last year (old v.s. old)



Strategic investment
in Q4

Strategic investment of JPY 640 M

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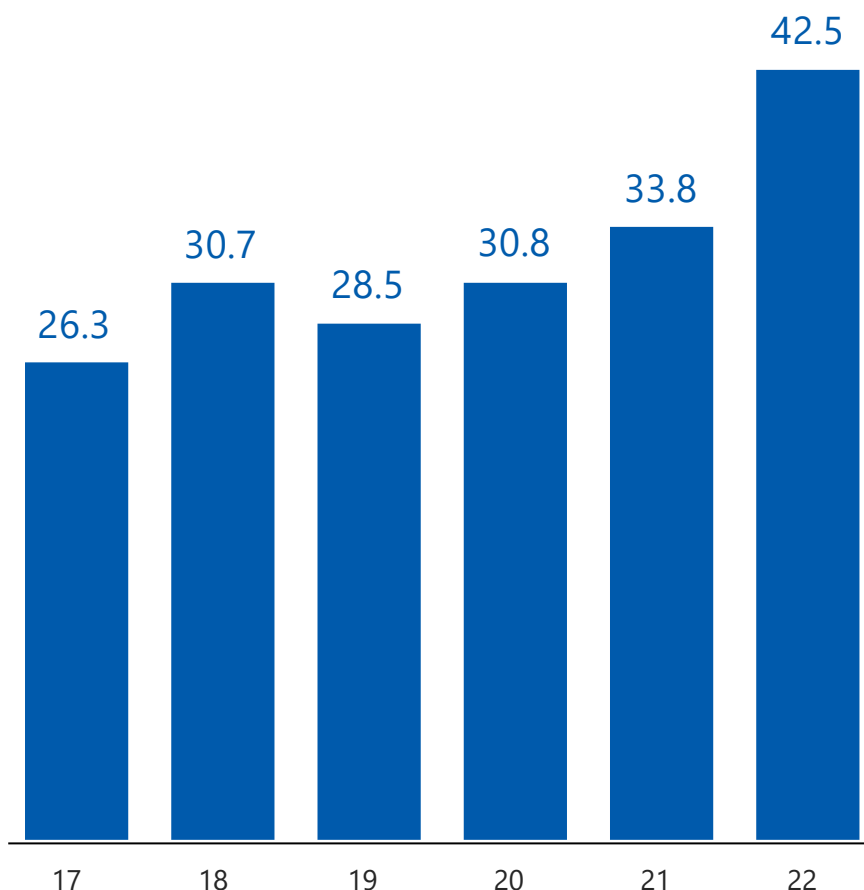
Internet Finance | Full-year results trends

Compared to the same period last
year (old v.s. new)

Net Sales: Up **25.5%** YoY

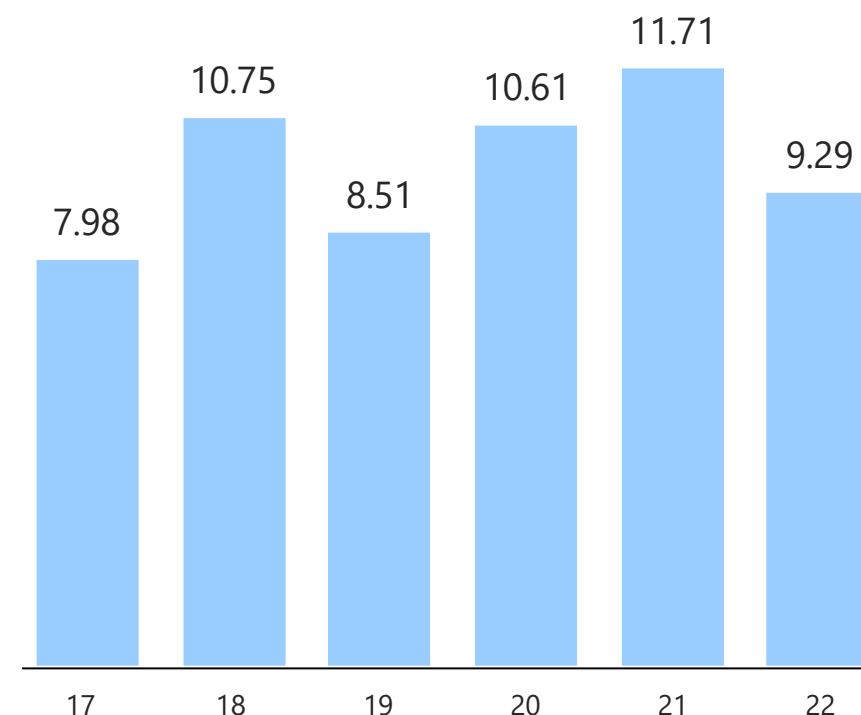
Record
high

(JPY billions)



Operating Profit: Down **20.7%** YoY

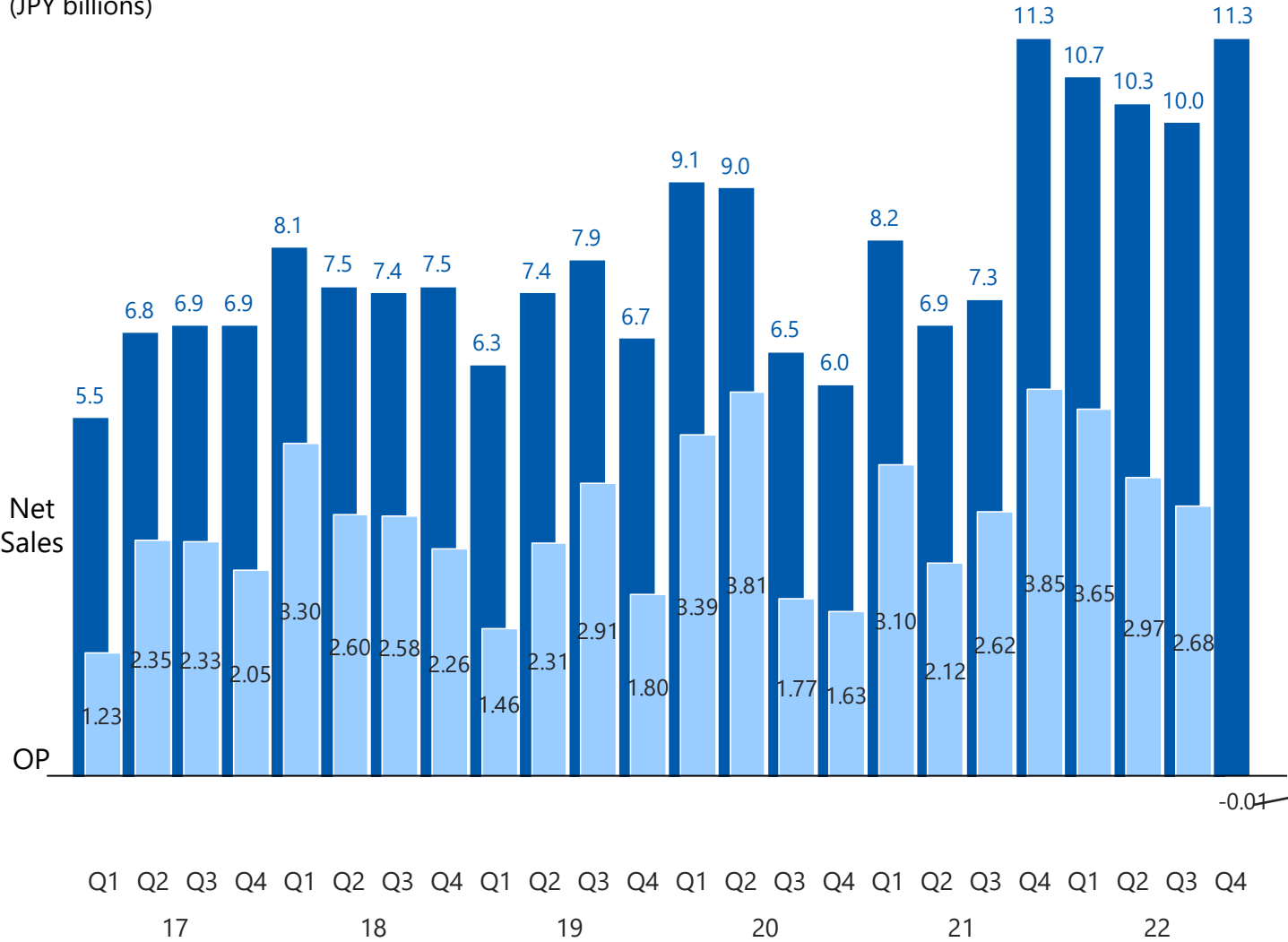
(JPY billions)



Internet Finance | Historical Performance by Quarter

(JPY billions)

Compared to the same period last year (old v.s. new)



Revenue up

0.2%

YoY

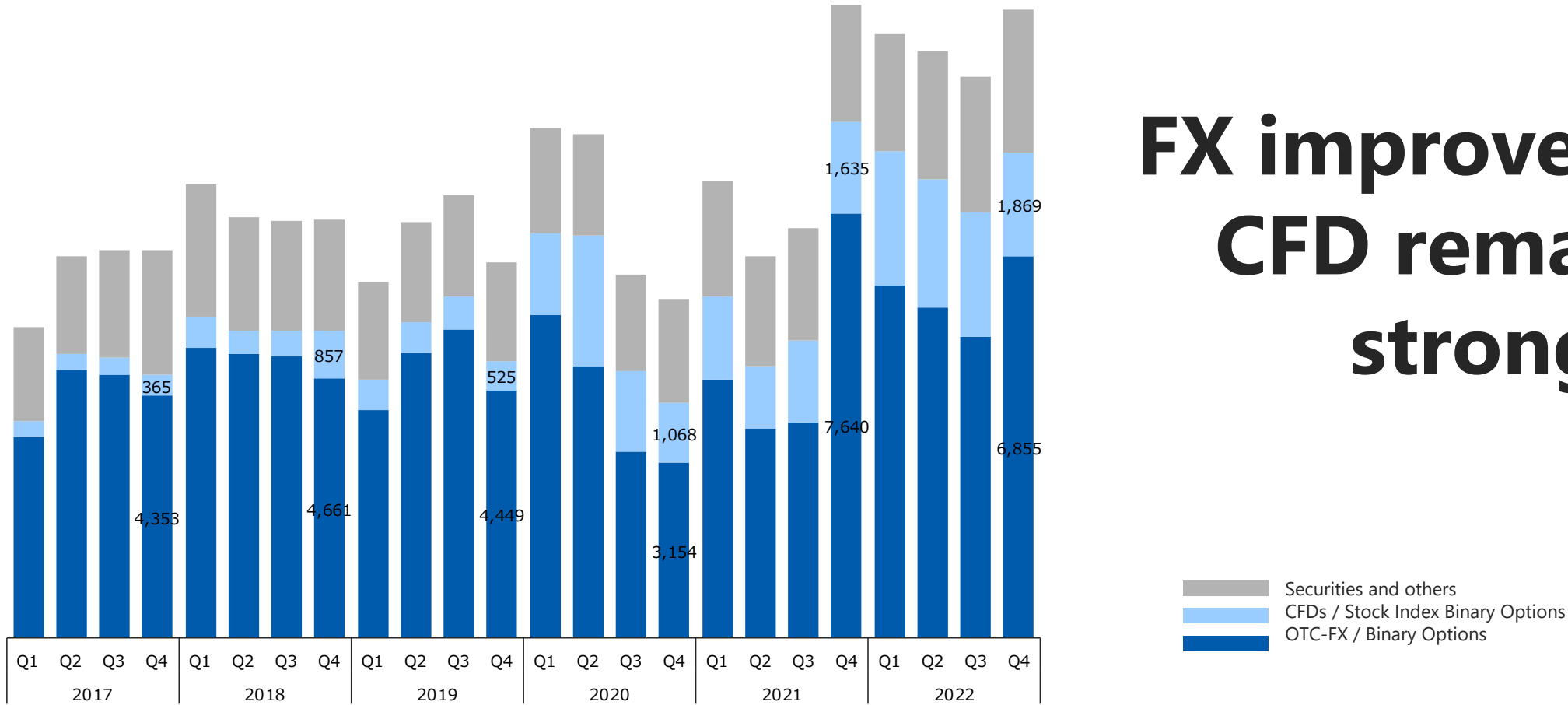
Operating loss

10M

Finance: Thailand's Internet Securities posted the provision of allowance for doubtful accounts of JPY 3.5B

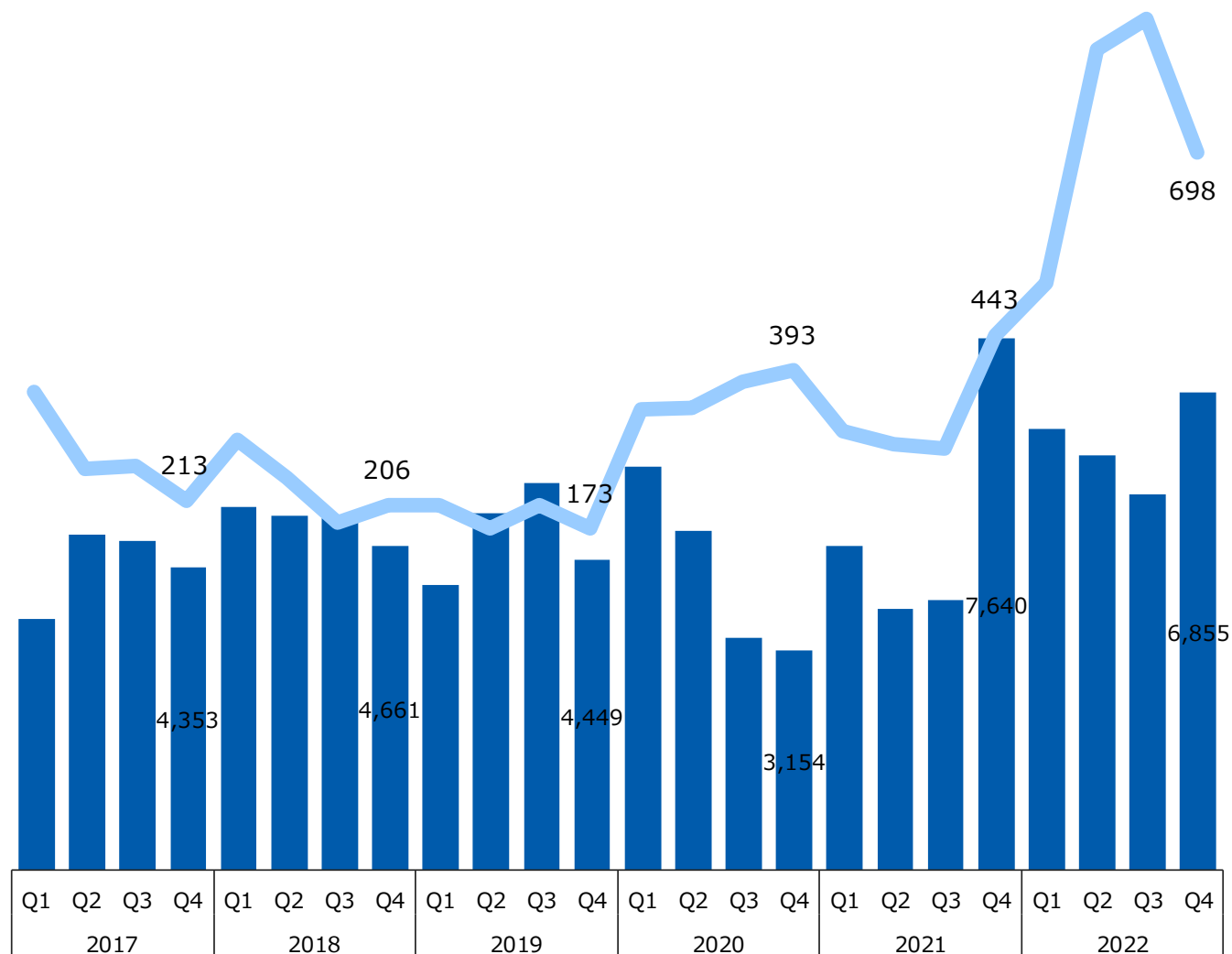
Internet Finance | Net sales by each product

(JPY millions)



**FX improved QoQ.
CFD remained
strong.**

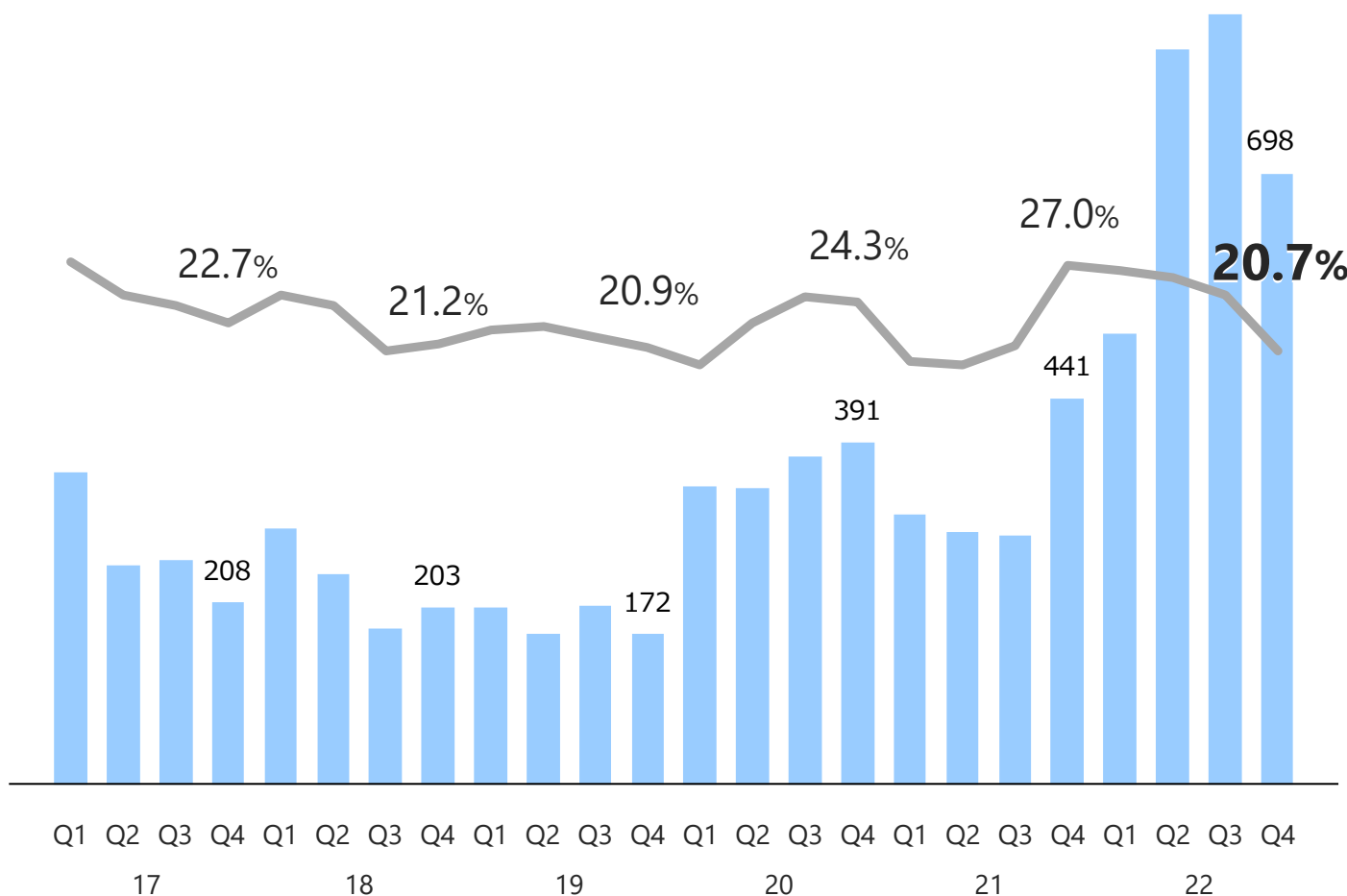
Internet Finance | FX net sales and trading volume



FX profitability improved YoY

- Net sales of OTC-FX/binary options (JPY millions)
- FX Trading volume (JPY trillions)*

Internet Finance | FX Trading Volume



Set the maximum trading volume per customer. Market share in terms of the trading volume dropped.

■ Trading volume (JPY trillions)
— Share (%)

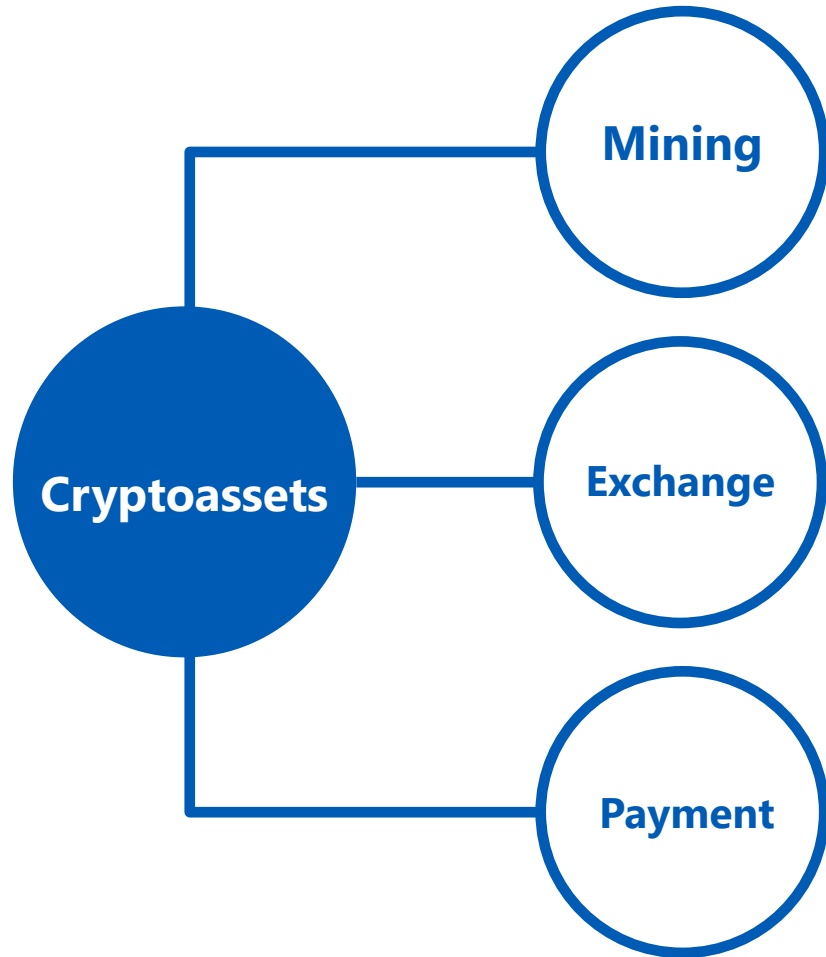
Prepared based on Results Presentation of GMO Financial HD for Q4 of FY2022 and “Monthly Statistical Bulletin on Over-The Counter Retail FX Margin Trading” published by the Financial Futures Association of Japan (FFAJ)

*1: Aggregate of the trading volume of GMO CLICK Securities, FX PRIME byGMO, and Gaika ex byGMO

*2: Group share calculated based on the sum of GMO Financial HD's revenues for the applicable three-month period, assuming that “Monthly Statistical Bulletin on Over-The Counter Retail FX Margin Trading” published by the Financial Futures Association of Japan (FFAJ) is a market as a whole.

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Cryptoassets business



Cryptoassets mining business

Cryptoassets exchange business

GMO Coin

Cryptoassets payment

└ Issue stablecoin

GYEN Z USD
Digital JPY Digital USD

Cryptoassets business | Full-year results trends

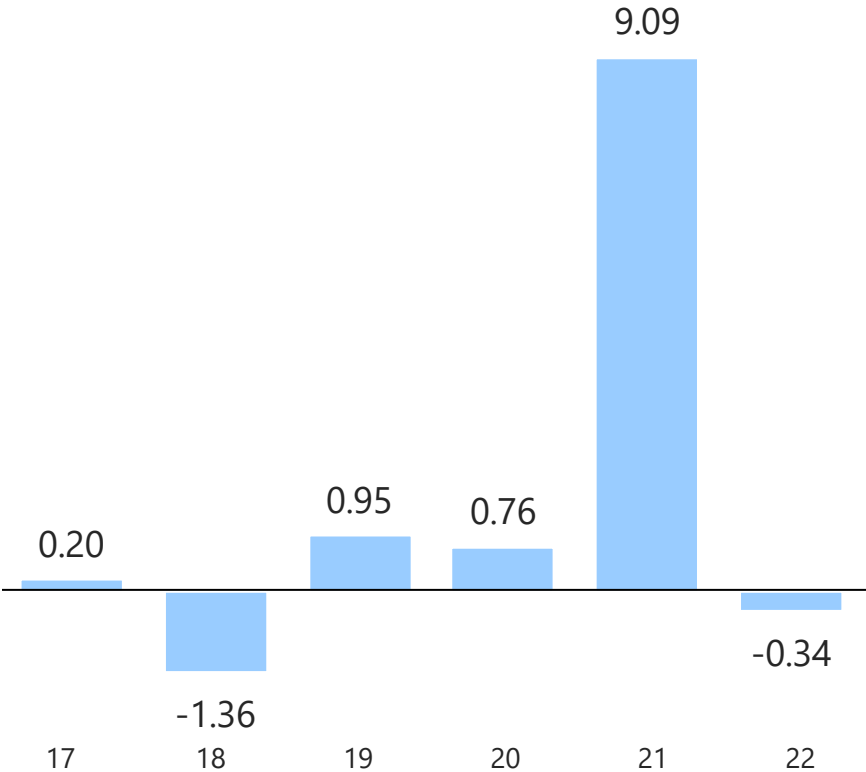
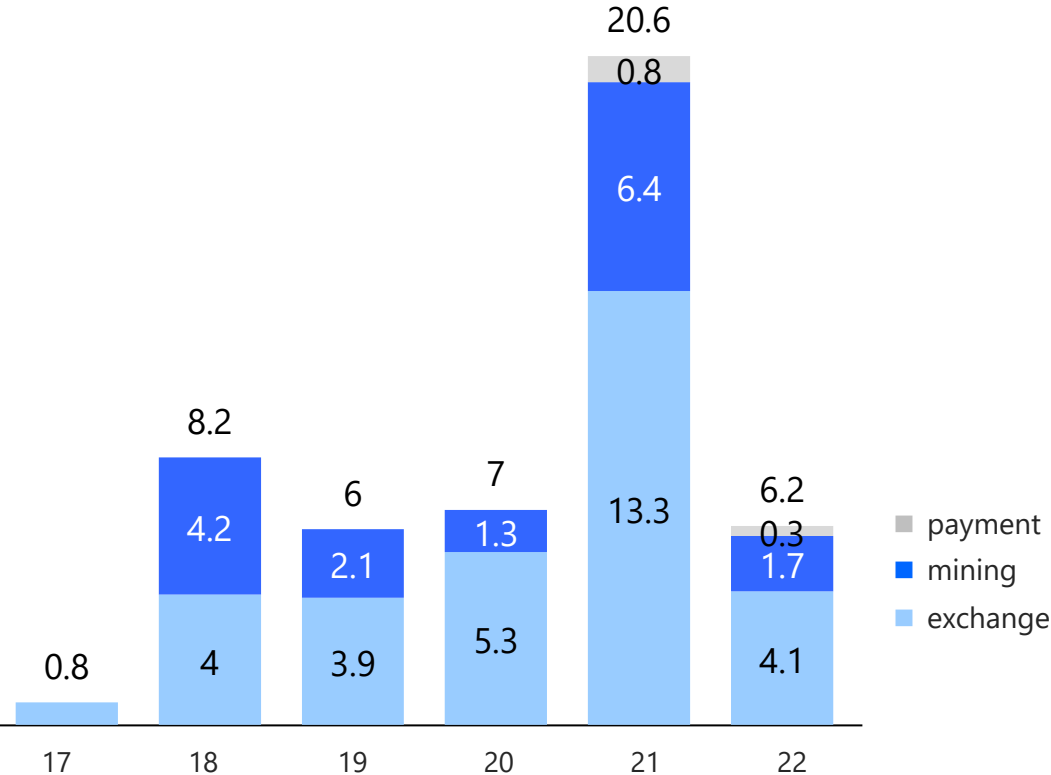
Compared to the same period last year (old v.s. new)

Net Sales: Down **69.9%** YoY

Operating Loss: **0.34B**

(JPY billions)

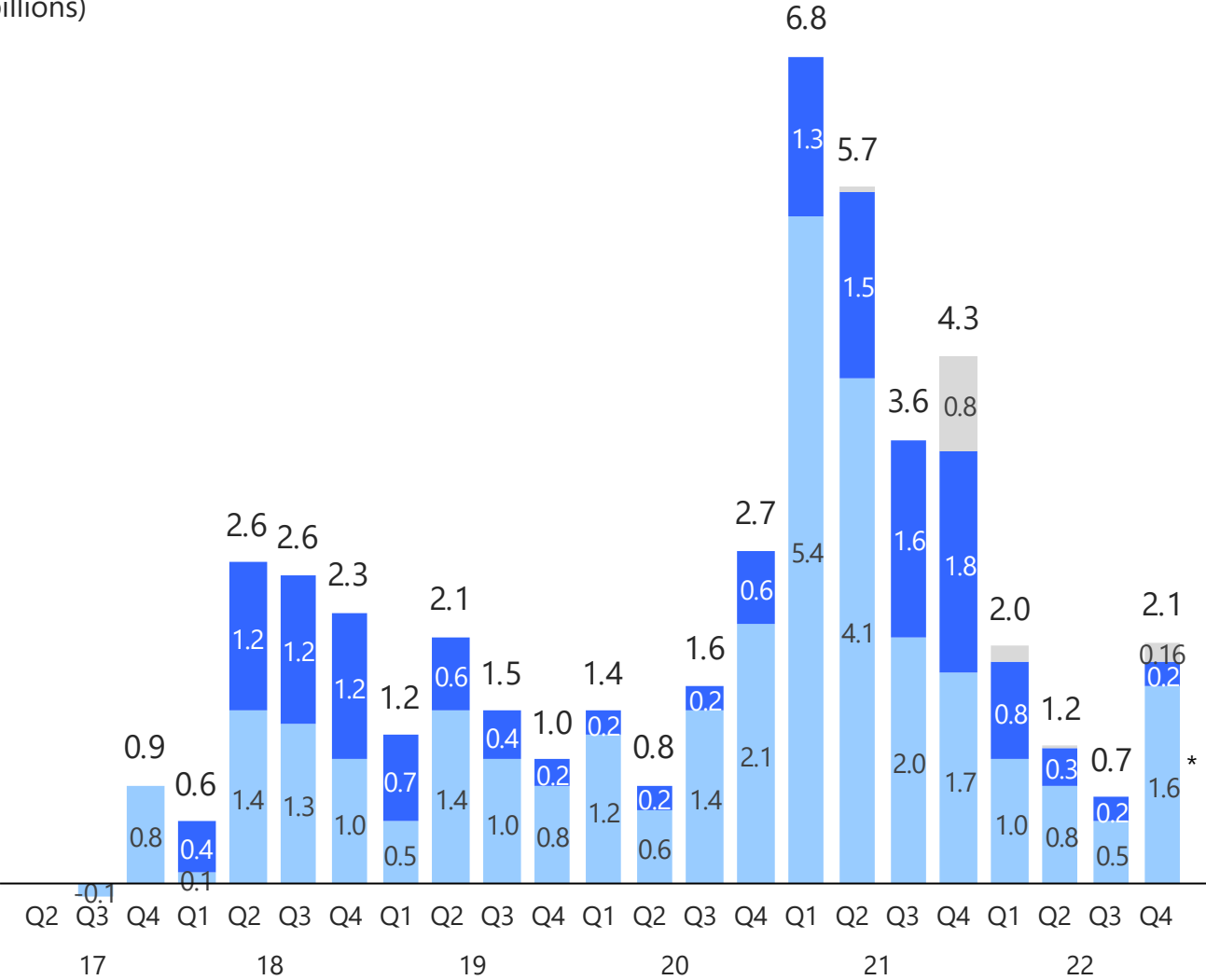
(JPY billions)



Cryptoassets business | Net Sales

(JPY billions)

Compared to the same period last year (old v.s. new)



Revenue down
52.5%
YoY

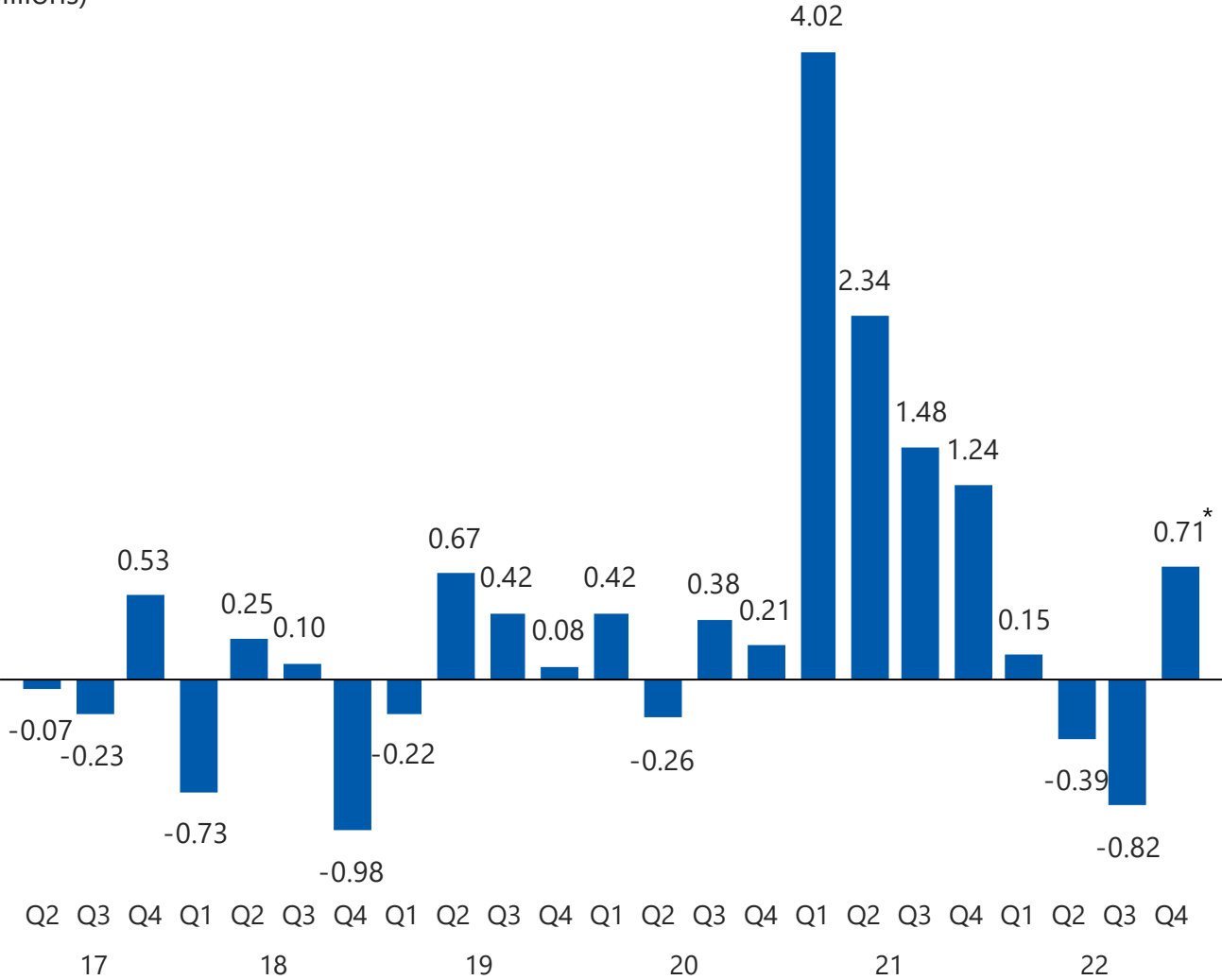
payment
mining
exchange

* The Company started recording hedging costs previously deducted from net sales as non-operating profit and loss in October 2022. As a result, net sales increased by JPY 870 million in Q4 FY2022 (including a correction to the figures from Q1 to Q3 FY2022).

Cryptoassets business | Operating Profit

(JPY billions)

Compared to the same period last year (old v.s. new)



Profit down
42.2%
YoY

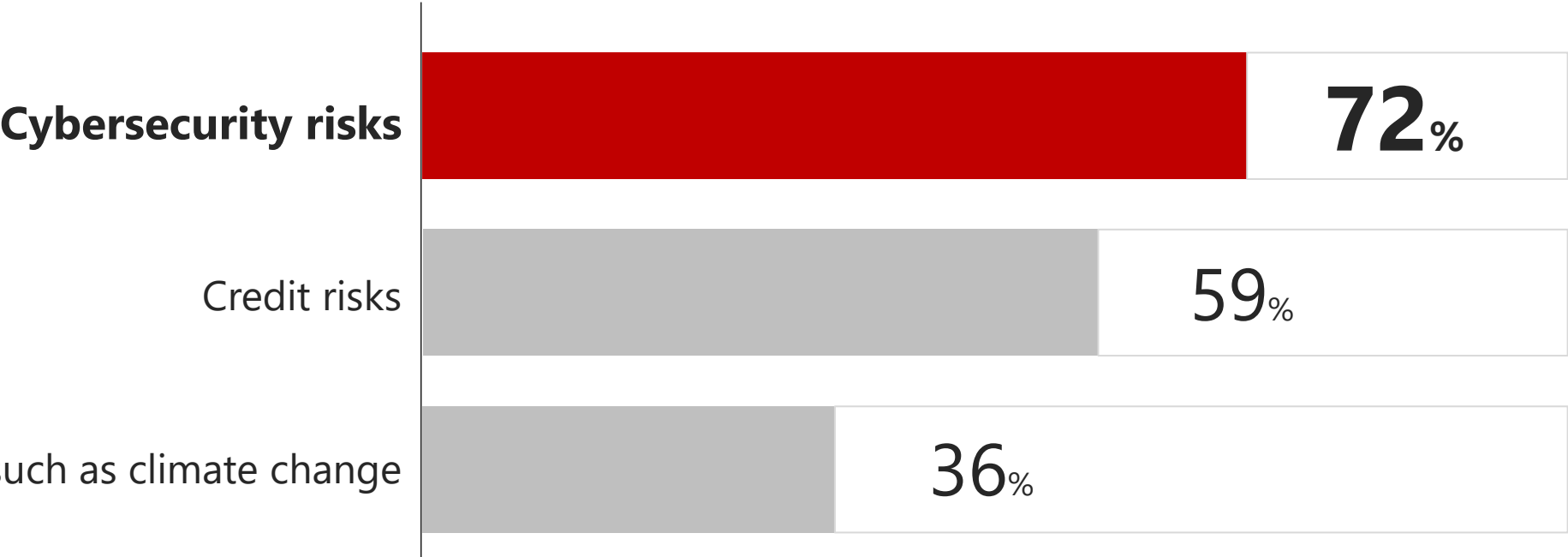
* The Company started recording hedging costs previously deducted from net sales as non-operating profit and loss in October 2022. As a result, net sales increased by JPY 870 million in Q4 FY2022 (including a correction to the figures from Q1 to Q3 FY2022).

1. Overview
2. Group Overview
3. Segment Report
 - i) Internet Infrastructure
 - ii) Online Advertising & Media
 - iii) Internet Finance
 - iv) Cryptoassets
4. Topics

Social issues

Cyberattacks are the greatest corporate risks (according to  )

Risks in 2023 chosen by Chief Risk Officers (CROs)



Source: "12th annual EY/IIF global bank risk management survey"

Safe and Secure Internet for Everyone

Security | Three areas

1. **Crypto**security



2. **Cyber**security



3. **Brand** security



Service usage | (1) Cryptosecurity business (SSL)



Johnson & Johnson



NETFLIX

virgin atlantic



SHISEIDO



SYUPPIN®

Service usage | (2) Cybersecurity business

GMO CYBER SECURITY
IERAE

 **Sammy Networks**

 **CyberAgent**



 **ACCESS**


TIS
TIS INTEC Group

 **SOMPO
CYBER
SECURITY**

Simplex Inc.

 **LIQUID**

no+e

RENOSY X

sansan

 **SKIYAKI**

 **SORACOM**

 **sysmex**

 **DRECOM**
with entertainment


トヨタテック開発株式会社

Orchestrating a brighter world
NEC

FORVAL

 **パーソン キャリア**
PERSON

 **LIFENET**

 **森永乳業**
かがやく“笑顔”のために

hey

MACNICA

 **WILL GROUP**

Service usage | (3) Brand security business

GMO BRAND SECURITY

TORAY

SUNTORY

BRIDGESTONE
Solutions for your journey

ISUZU

FamilyMart

RICOH

WACOAL

ABC-MART

TSI HOLDINGS

TOPPAN

よろこびがつなぐ世界へ
KIRIN

PREMIER ANTI-AGING

AMANO

MICHIKO LONDON
KOSHINO

SHARP

BATHCLIN

エバラ

EPOCH 株式会社エポック社

HOKUETSU

TSUBURAYA

自然を、おいしく、楽しく。
KAGOME

RISO

audio-technica

GLOBIS

maruetsu
マルエツ

(2) Cybersecurity business | Working with public institutions

GMO CYBER SECURITY



Self-defense forces

Carried out training to improve the skills of Cyber Defense Command^{*1}

Ministry of Defense

国家の独立、
平和と安全を守る



National Police Agency

Received a letter of thanks for technical assistance^{*2}



^{*1}: "Penetration test drills for JSDF Cyber Defense Command carried out by GMO Cybersecurity by Ierae" (February 1, 2023)

^{*2}: Received a letter of thanks from National Police Agency (January 30, 2023)

(2) Cybersecurity business | New service

GMO CYBER SECURITY
by IERAE

2023年
最大の経営リスクは
サイバー攻撃です

※2023年1月12日 日本経済新聞 / 英大手会計事務所アーンスト・アンド・ヤング(EY)・税務金融協会(JF)調査
「金融機関トップ・リスク・オフィサーが選ぶ 2023年の最大リスク」より

GMO
サイバー攻撃 ネットde診断

ドメインを
入力するだけ!

月額 〇〇円~ (税込)

✓ セキュリティ課題
可視化

✓ スコアリング
100

安全の証明シールも利用可能

SAMPLE **GMO**
CYBER SECURITY
by IERAE
サイバー攻撃対策サイト

サイト訪問者も安心!
一定以上のスコアの場合は
サイトシールも利用可能!

サイバー攻撃対策シールの取り組みについて (<https://gmo-cybersecurity.com/siteseal/>)

GMO
サイバー攻撃 ネットde診断

(2) Cybersecurity business | New service



Site seal displayed
on website after
diagnosis



**The only listed business group that can offer
solutions to security challenges**

Conclusion

Internet Infrastructure

Sustainable growth through solid recurring revenues. We offer solutions to Internet security issues and our position will be unmatched by any other company.



Online Ad & Media

Continue to enhance in-house products and media. Further expansion of the business' performance.



Internet Finance

FX profitability improved and CFD became a core product, leading to solid business portfolio.



Cryptoassets

There is no change in our view that cryptoassets have the potential to grow. Continue business operations steadily.



Internet for Everyone

GMO

GMO INTERNET GROUP

We are planning on making an earnings announcement for FY2023 First Quarter after 3 pm on May 12, 2023.

This document includes projections based on expectations, premises and plans as of February 13, 2023. These projections may differ from actual results due to factors including changes in the global economy, competition, exchange rate fluctuations, market cap of cryptoasset, natural disasters and other unforeseeable events. Some of the figures given, such as market share are based on our own calculations. These figures may differ from research agency figures.

Information contained in this document is provided for information purposes only and does not constitute solicitation of investors. Further, results forecasts and other forward-looking statements are based on premises that include risks and factors that are largely indeterminable. Please understand that actual results may differ significantly as a result of forces including economic conditions and market environment. No responsibility for any reason is accepted for damage sustained as a result of actions taken based on this information.

Appendix

□ Group Overview

□ Financial condition and strategy

□ Consolidated results

□ ESG activities

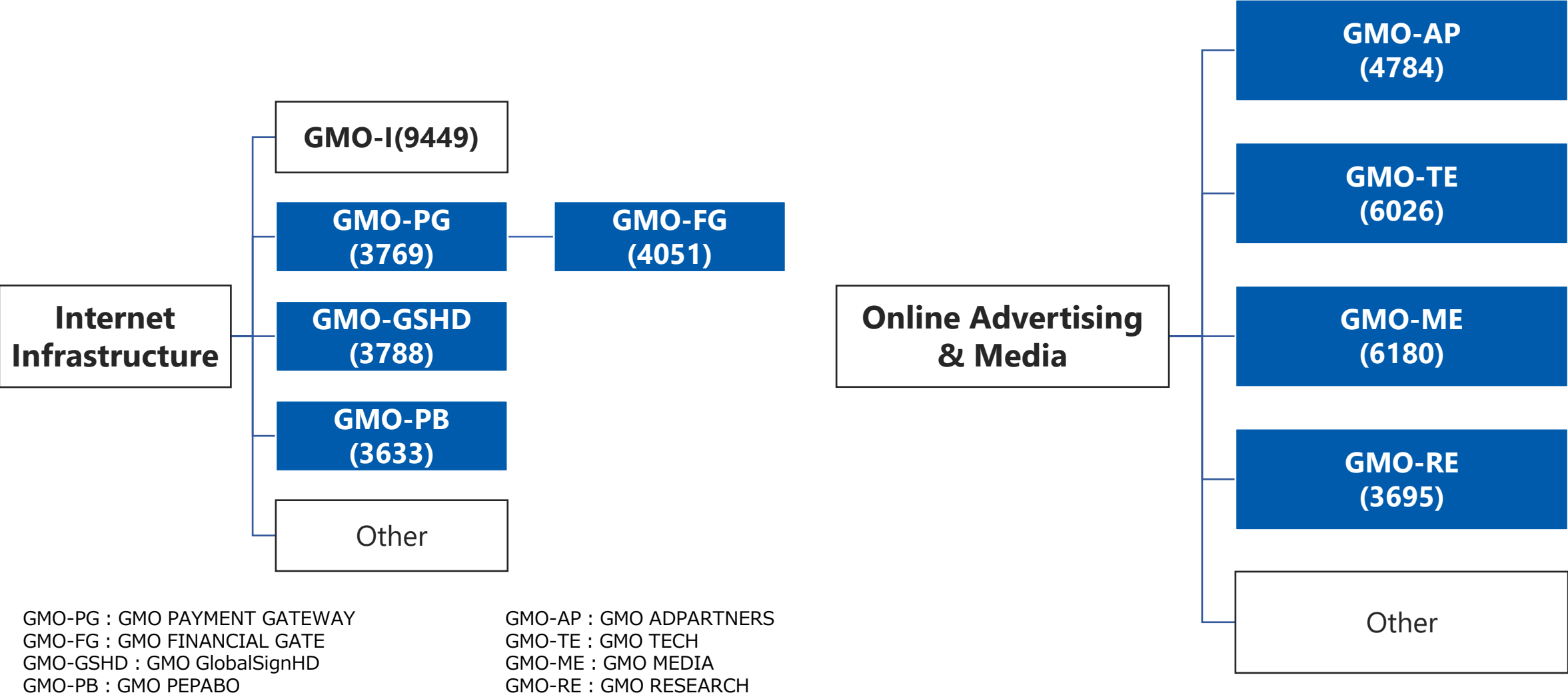
Group Overview

Company Name	GMO Internet Group, Inc.
Founder, Chairman and Group CEO	Masatoshi Kumagai
Address	(Group Head Office) Cerulean Tower 26-1 Sakuragaokacho, Shibuya-ku Tokyo (The 2nd Group Head Office) SHIBUYA FUKURAS1-2-3 Dogenzaka, Shibuya-ku, Tokyo
Established	May 24, 1991
Stock Listing	9449 (Tokyo Stock Exchange Prime Market)
Business Segments	Internet Infrastructure Online Advertising & Media Internet Finance Cryptoassets
Capital (including capital reserve)	JPY5.0 billion
Consolidated Staff	7,317
Group companies	110 (As of Dec 2022)

**Decentralized group management
in order to adapt rapid changes of
Internet industry.**

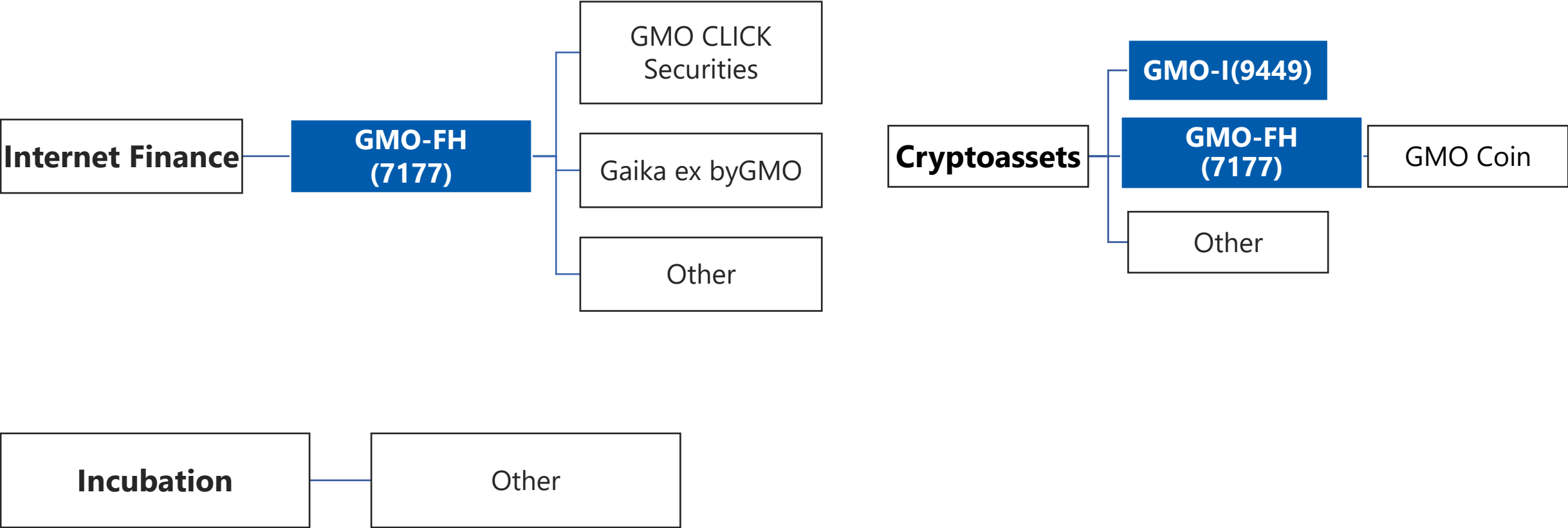


Group Structure by each segment(1/2)



Listed subsidiaries

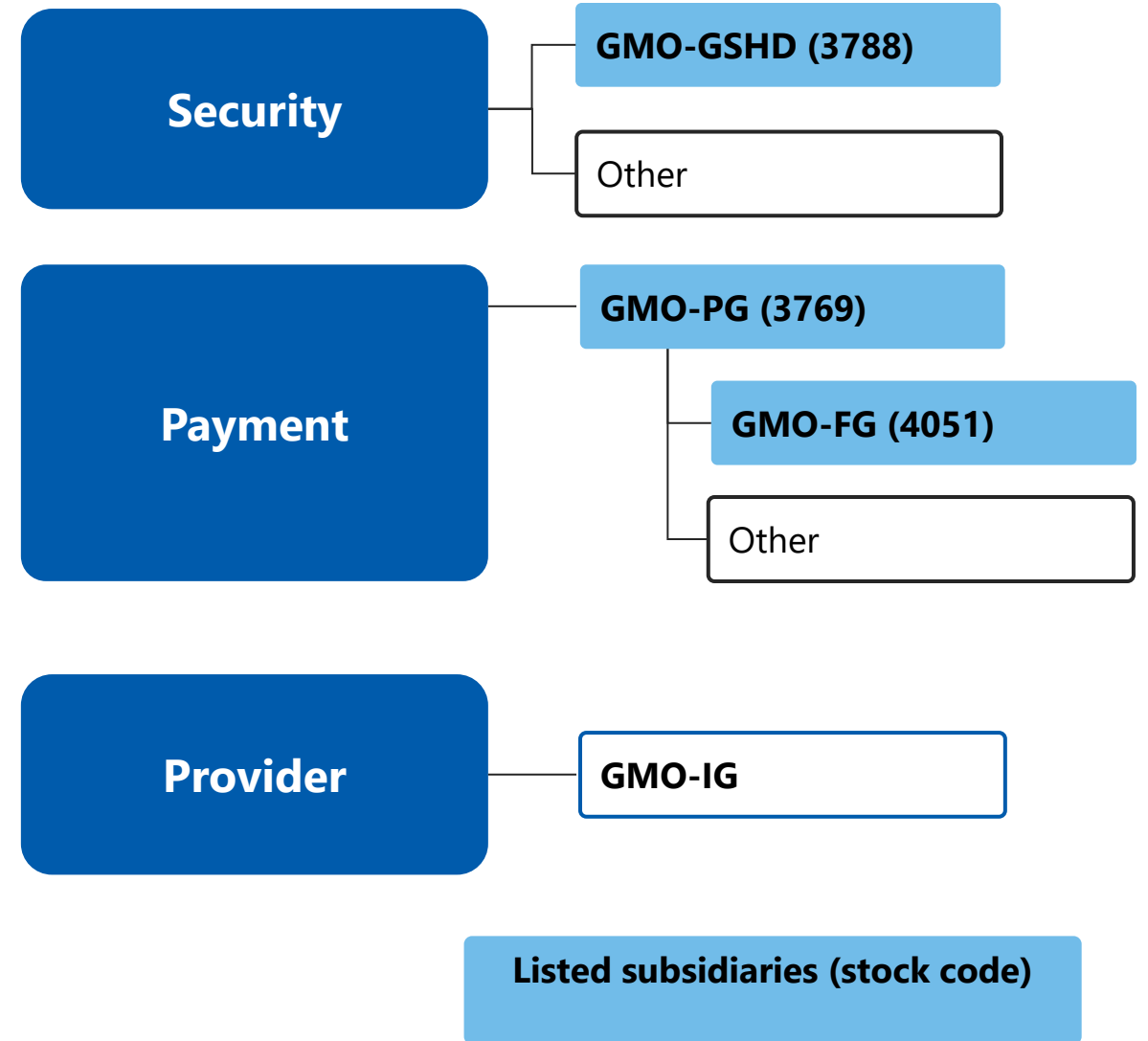
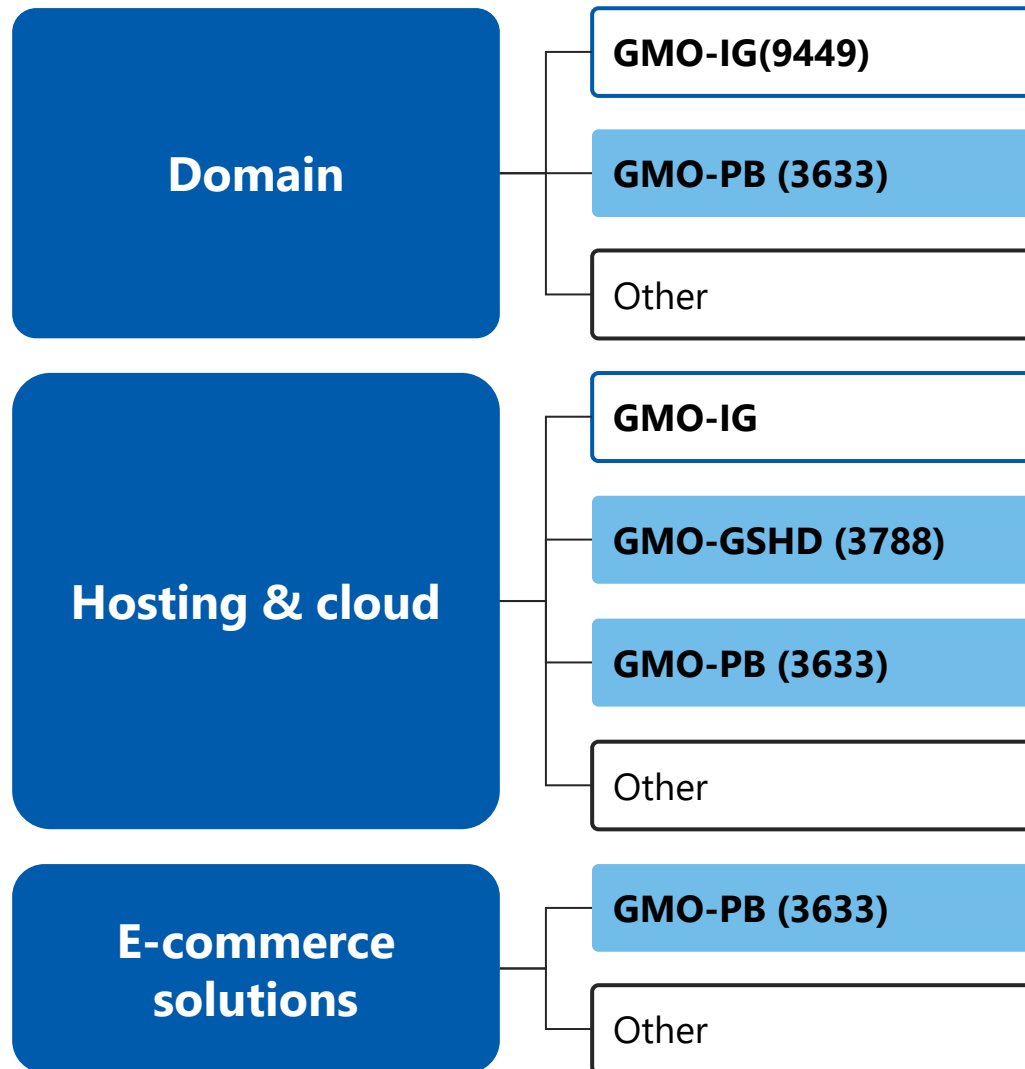
Group Structure by each segment(2/2)



GMO-FH : GMO FINANCIAL HD

Listed subsidiaries

Internet services operations



□ Group Overview

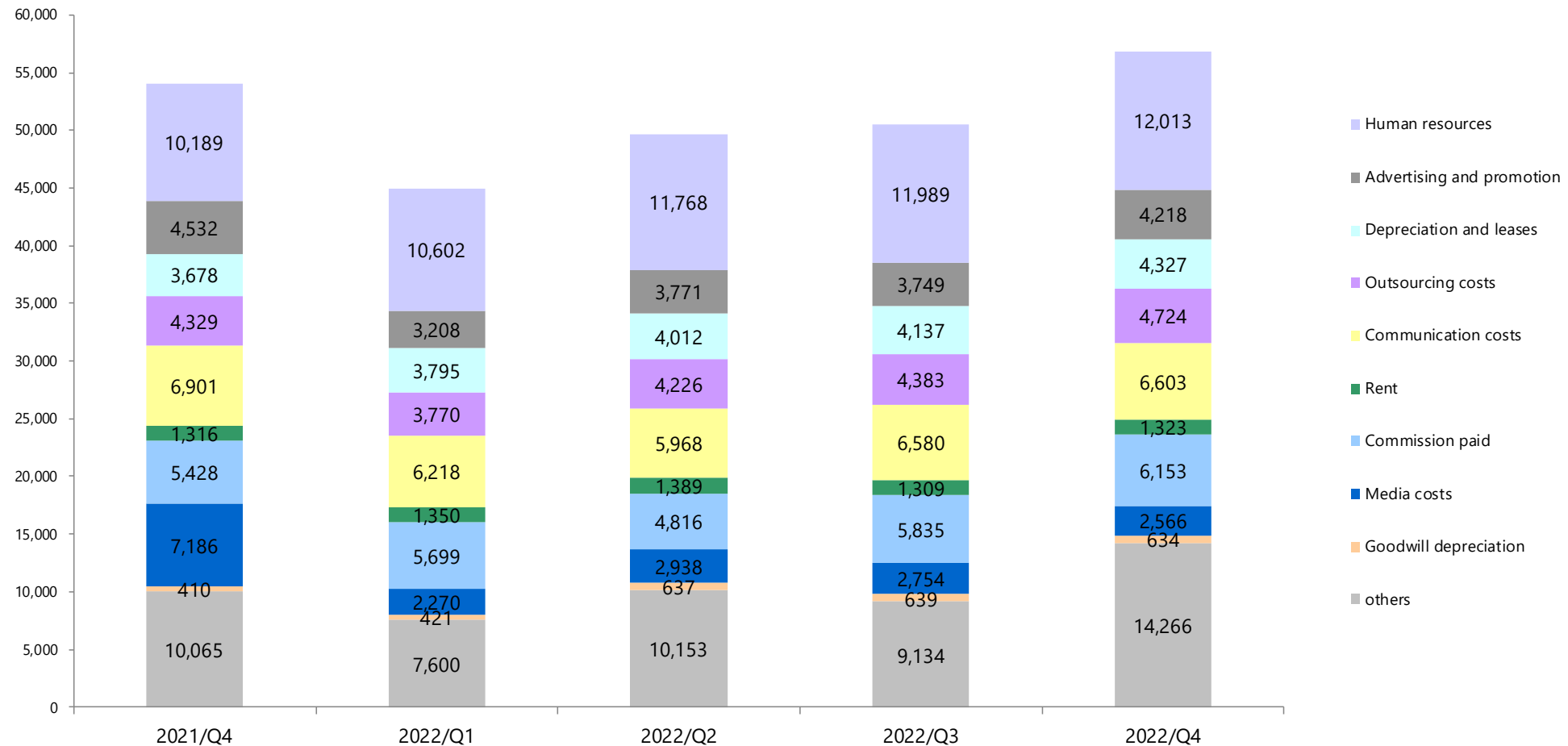
□ **Financial condition and strategy**

□ Consolidated results

□ ESG activities

Consolidated Cost Composition

(JPY millions)



Consolidated Balance Sheet

(JPY millions)	End of 12/2021	End of 12/2022	Change	GMO Financial HD (End of 12/2022)	GMO INTERNET GROUP (End of 12/2022)
Current Assets	1,292,984	1,408,015	115,031	963,834	120,235
Cash & Deposits	240,136	341,970	101,834	74,396	94,207
Fixed Assets	125,952	134,725	8,772	27,648	100,541
Goodwill	14,251	17,708	3,456	9,943	-
Software	10,181	11,472	1,290	2,402	683
Investment Securities	28,605	29,780	1,174	3,835	53,073
Total Assets	1,418,936	1,542,740	123,804	991,482	220,777
Liabilities	1,278,533	1,388,051	109,518	950,151	200,163
Interest-bearing debts	294,663	391,161	96,497	185,495	155,675
Net Assets	140,402	154,688	14,286	41,330	20,613
Non-controlling Minority Equity	66,802	82,469	15,666	1,732	-
Shareholders' Equity	73,548	72,176	-1,371	39,598	20,613
Earned Surplus	35,756	37,730	1,974	38,985	22,335
(Shareholders' Equity Ratio)	5.2%	4.7%	-0.5pt	4.0%	9.3%
Liabilities/Net Assets Total	1,418,936	1,542,740	123,804	991,482	220,777

Consolidated Profit and Loss

(JPY millions)	FY2021	FY2022	Change	supplementary information
Net Sales	241,612	245,696	1.7%	
Gross Profit on Sales	128,883	149,886	16.3%	
Operating Profit	41,164	43,746	6.3%	
(OP Margin)	17.0%	17.8%	+0.8pt	
Non Operating Profit and Loss	2,228	2,278	2.2%	
Ordinary Profit	43,393	46,025	6.1%	
Extraordinary Profit or loss	321	11,635	3519.9%	
Profit before Tax	43,715	57,660	31.9%	
Corporate Taxes etc.	15,259	17,967	17.8%	
non-controlling interests	10,928	26,482	142.3%	
Profit attributable to Owners of the Parent	17,527	13,209	-24.6%	

Consolidated Cash Flow

(JPY billions)	FY21	FY22	Significant Factors	GMO-FH (Jan-December)
Operating Cash Flow	-23.7	+25.6	Net profit before adjustment for tax esc. :57.6B(43.7B in 2021) Depreciation expanses :11.3B(8.8B in 2021)	+3.4
Investing Cash Flow	-51.7	-2.8	Acquisition of tangible and intangible fixed assets:-10.4B(-36.8B in 2021) Placement of fixed term deposit:-10.8B(-2.4B in 2021) Gain on sale of investment securities:+24.5B(+11.1B in 2021)	-4.4
Financing Cash Flow	+89.8	+62.4	Debt finance:+86.1B (+36.6B in 2021) Issuing Corporate bond:5.9B(+65.8B in 2021) Share Buyback-7.5B(-1.9B in 2021)	+8.5
Change in Cash and Equivalents	+ 15.3	+ 8.8		+ 8.6
Balance of Cash and Equivalents	234	322.2		72.2

Financial Strategy

- Avoid excessive risk-taking, considering balance of Shareholders equity
- Aiming to increase the absolute amount of Shareholders Equity, 100 Billion yen.

Asset management

① Business investment

Risk investment in principle admitted within 2/3 of each subsidiary's capital adequacy

② Cash on hand

Ensure repayment cash for debt finance and bond

③ Surplus Cash

Stable Investment

Procurement

① Multiple way

Agile procurement

② lengthening term

Long term debt

③ Fixed interest rate

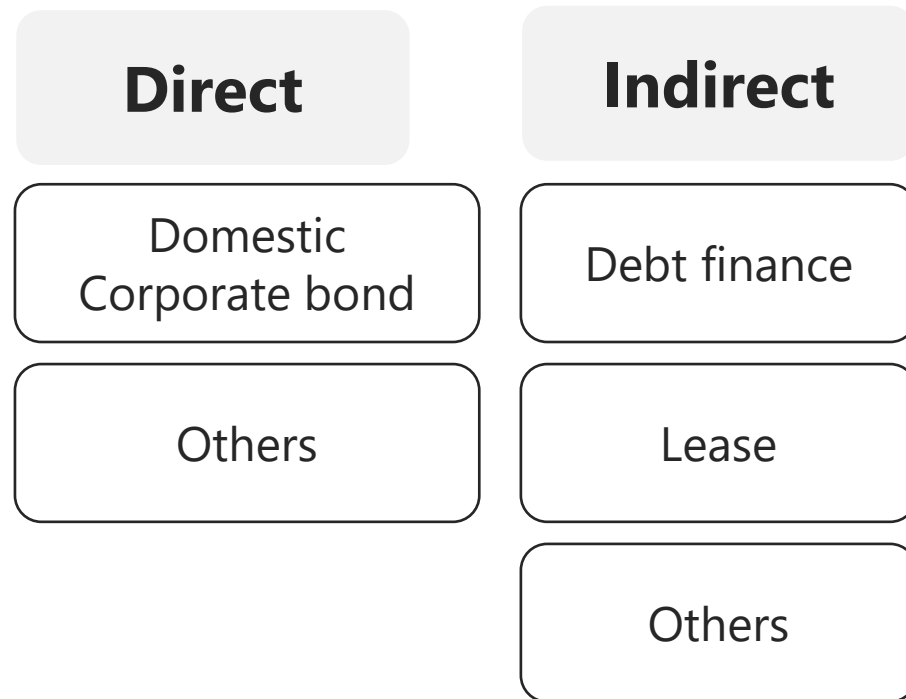
Procure with fixed rate

Financial Strategy | Procurement①

Multipul way of financing

- Continuous procurement helps growth capital to be ensured.

The way to procure



Total Interest-bearing debt

(JPY 100M)	FY20	FY21	FY22
Total	2,083	2,946	3,911
Corporate bond	166	659	717
Debt finance	1,916	2,286	3,193

Financial Strategy | Procurement②③

Lengthening term · Fixed interest rate

- Aiming to build a strong financial base

Debt balance average term

(Year)	FY20	FY21	FY22
Corporate bond	2.4	5.7	3.9
Debt finance (long term)	3.0	3.8	3.8

Fixed interest rate ratio

(%)	FY20	FY21	FY22
Corporate bond	100.0	100.0	100.0
Debt finance (long term)	25.3	53.6	62.6

Financial Strategy | Asset management②Cash on hand

- Keeping enough repayment cash(the amount for debt financing repayment next year and for corporate bond's repayment next 2 years)

(100M Yen)	FY20	FY21	FY22
cash and cash equivalents	2,186	2,340	3,222
Balance of interest debt within 3Years	187	2,057	793
Within 1 year	107	97	209
Over 1year within 2 years	46	165	220
Over 2 years within 3 years	33	166	364

Others | Credit rating

Thinking

- Plan to maintain current rating and aiming to be upgraded.
- Having conversation with R&I before-hand, when decision making on a huge investment to be carried out.

Current situation

Rating agency	Issuer Rating
JCR	A-(Stable)
R&I	BBB+(Stable)

□ Group Overview

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□ ESG activities

Financial Results | Full-year results trends

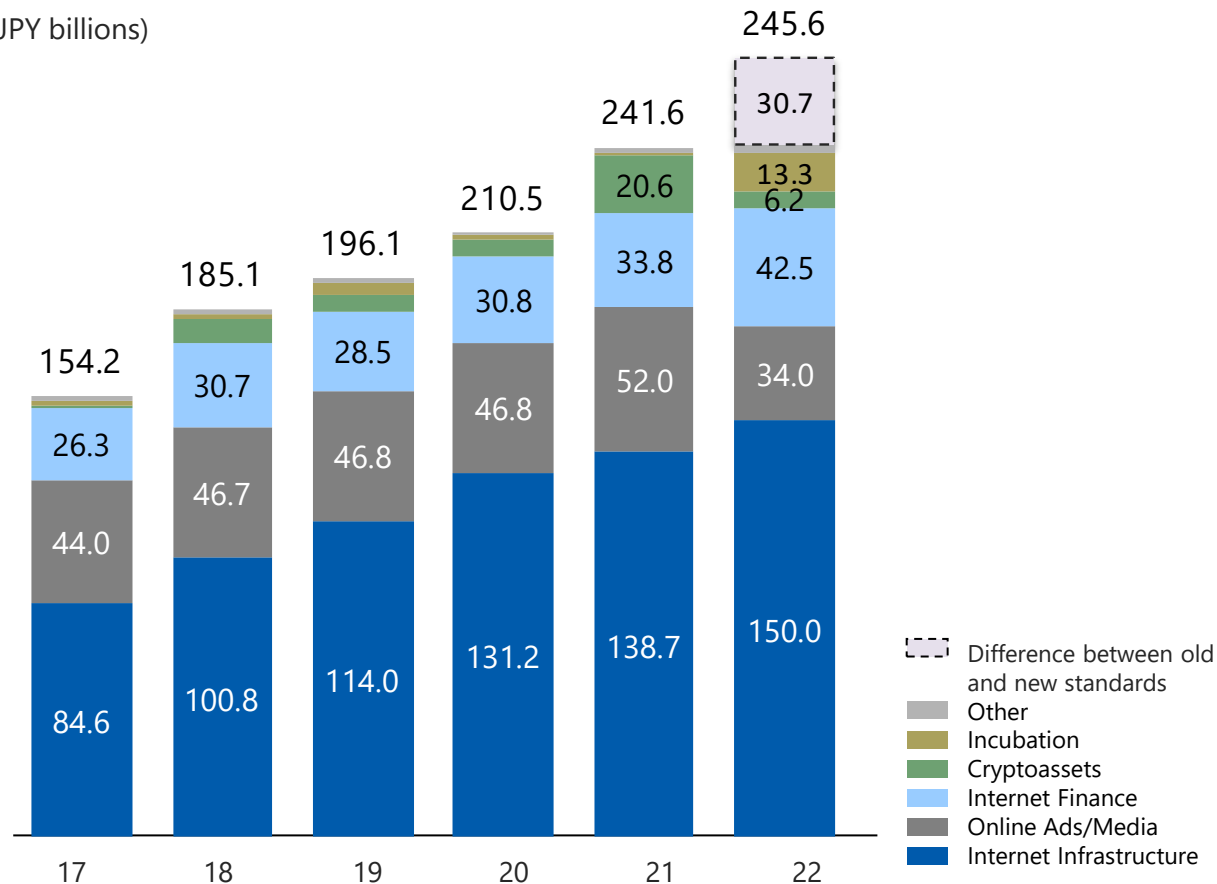
Compared to the same period
last year (old v.s. new)

Net Sales

Up **1.7%** YoY

Record
high

(JPY billions)

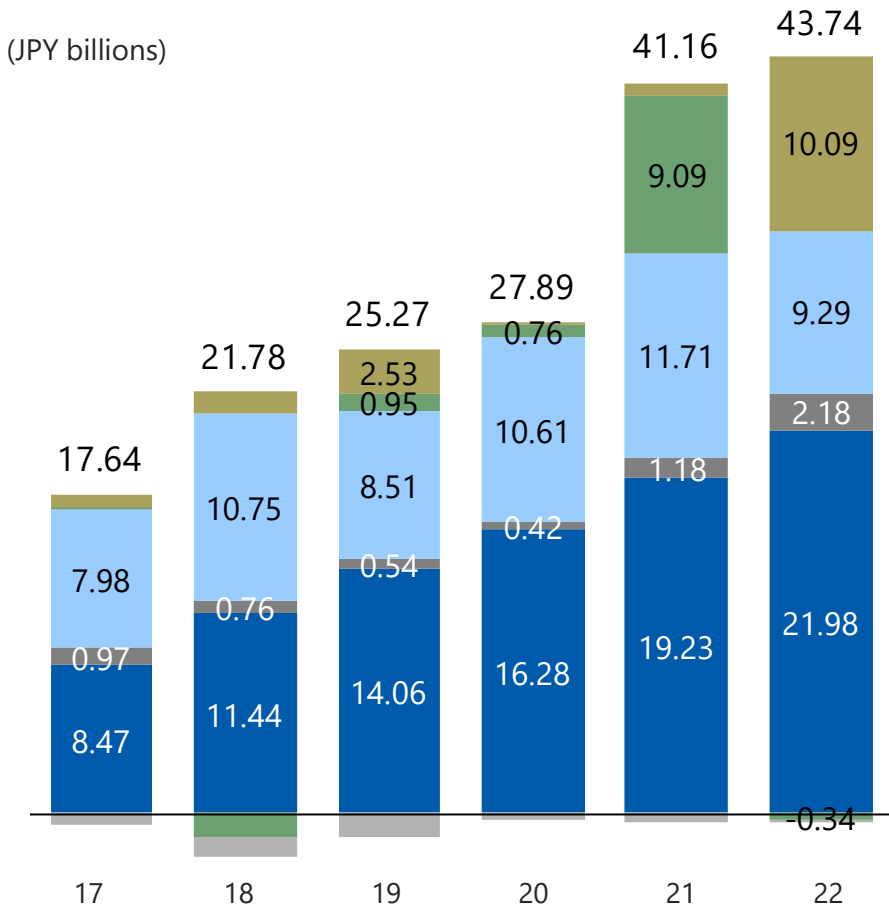


Operating Profit

Up **6.3%** YoY

Record
high

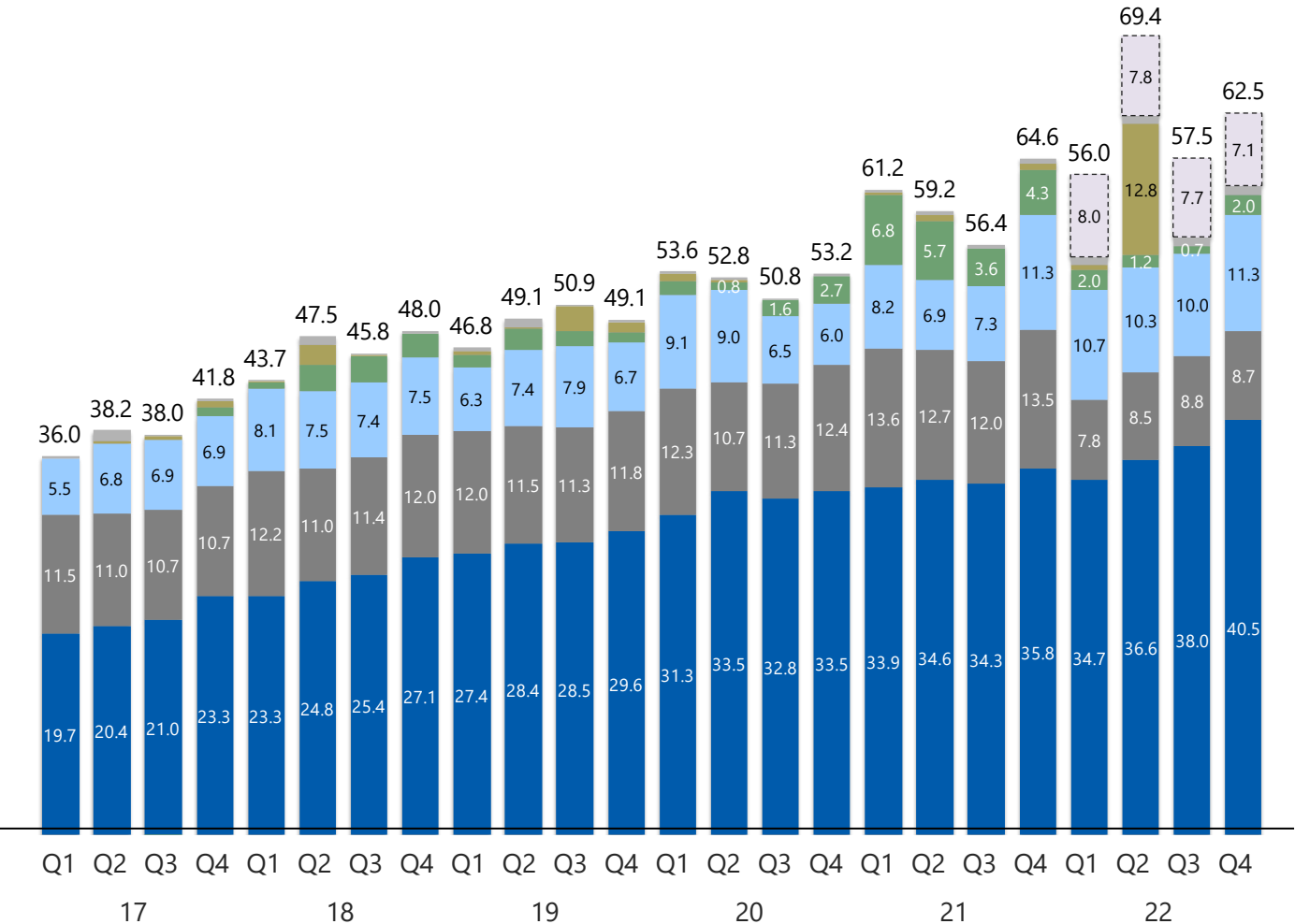
(JPY billions)



Financial Results | Net Sales by Segment

Compared to the same period
last year (old v.s. new)

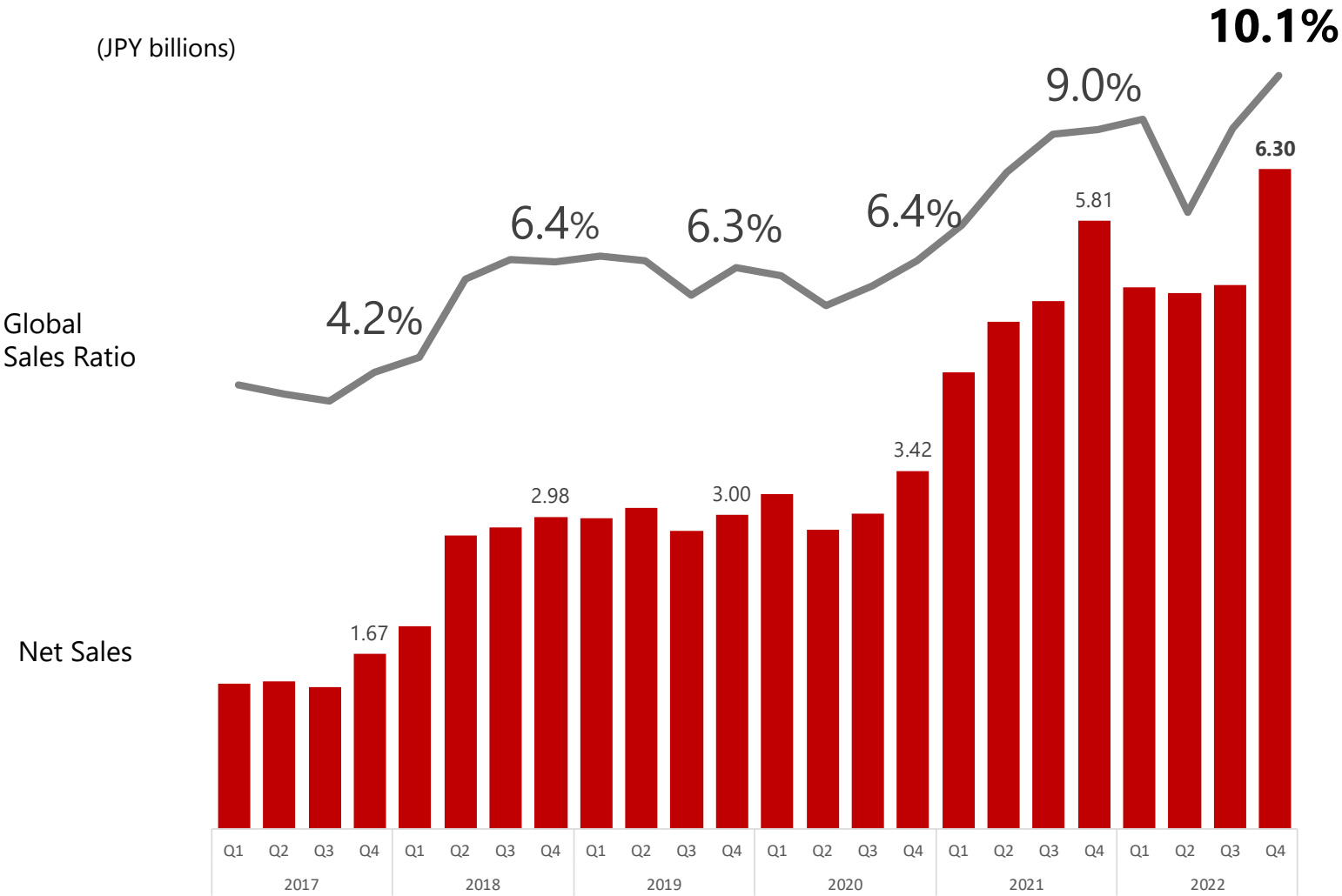
(JPY billions)



Revenue Down
3.2%
YoY

- Difference between old and new standards
- Other
- Incubation
- Cryptoassets
- Internet Finance
- Online Ads/Media
- Internet Infrastructure

Global Operations | Global Net Sales



Net sales
YoY

8.4%UP

Since Q2 FY2020, MacroKiosk is no longer a consolidated subsidiary. We deducted MacroKiosk values from net sales retroactively to Q1 FY2017 in this chart.

Internet Infrastructure

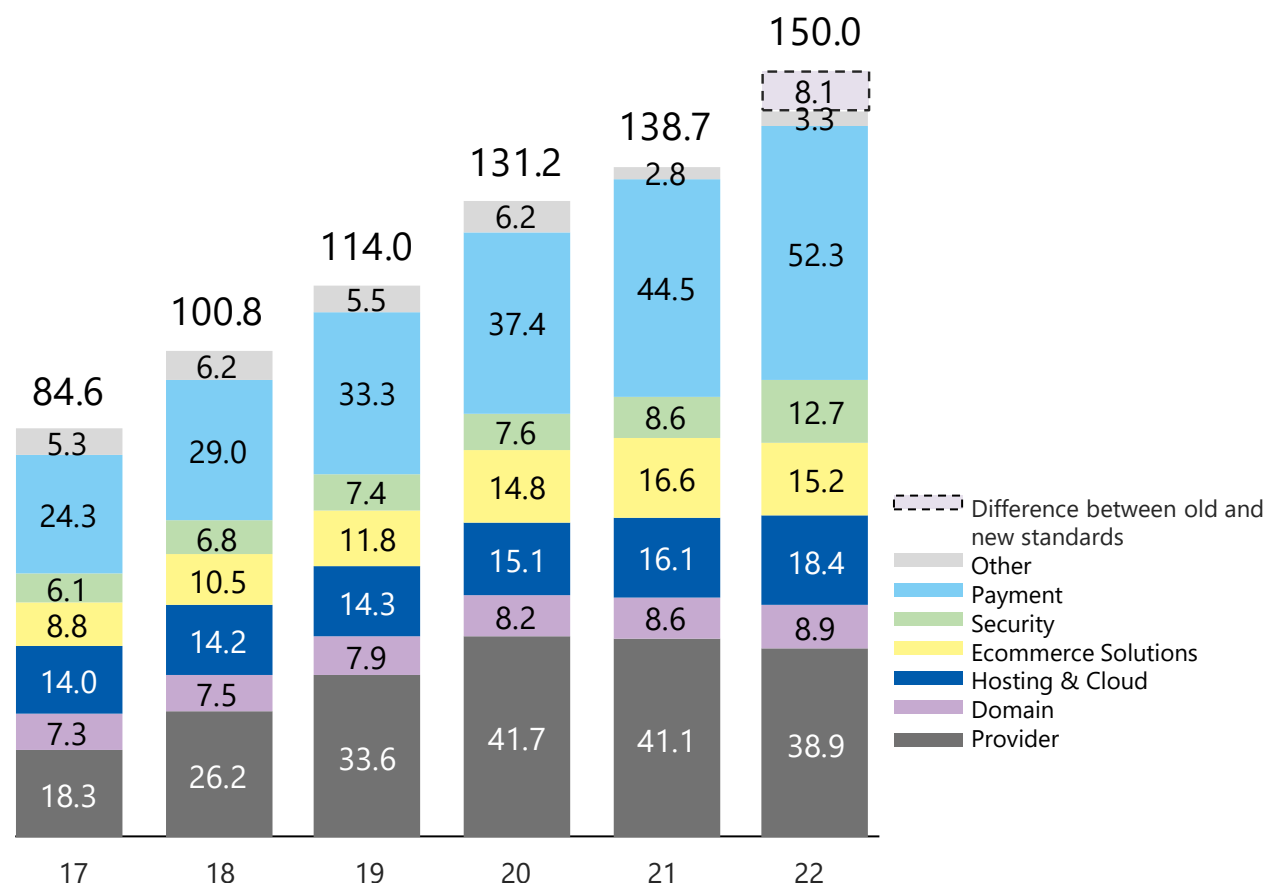
Internet Infrastructure | Full-year results trends

Compared to the same period
last year (old v.s. new)

Net Sales: Up **8.1%** YoY

(JPY billions)

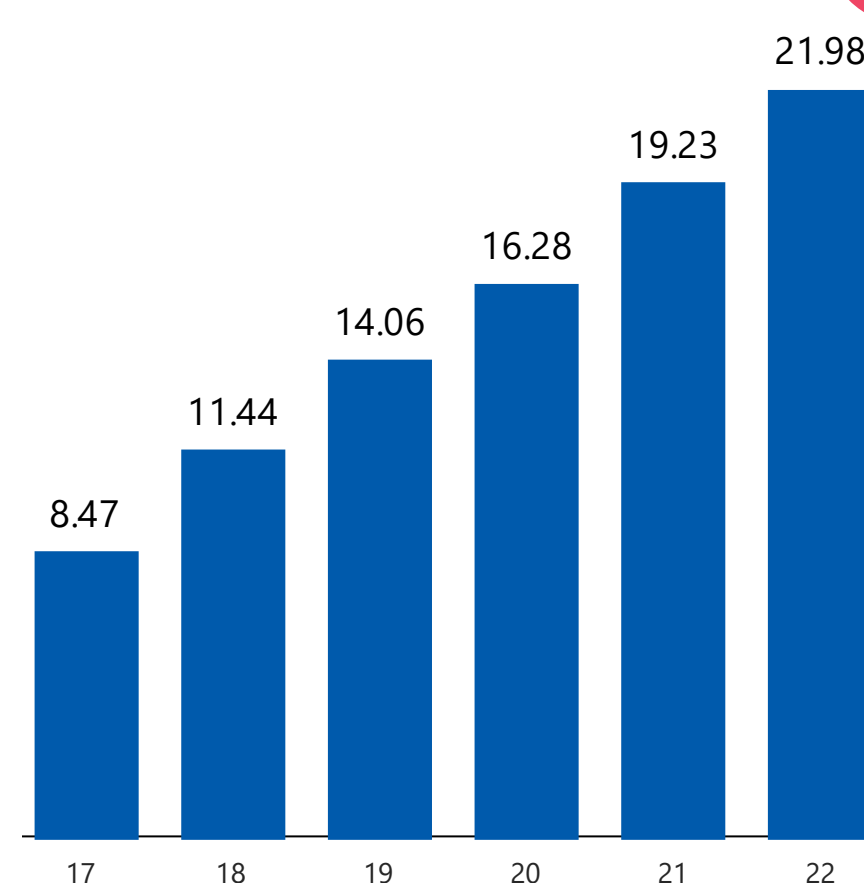
Record
high



Operating Profit: Up **14.3%** YoY

(JPY billions)

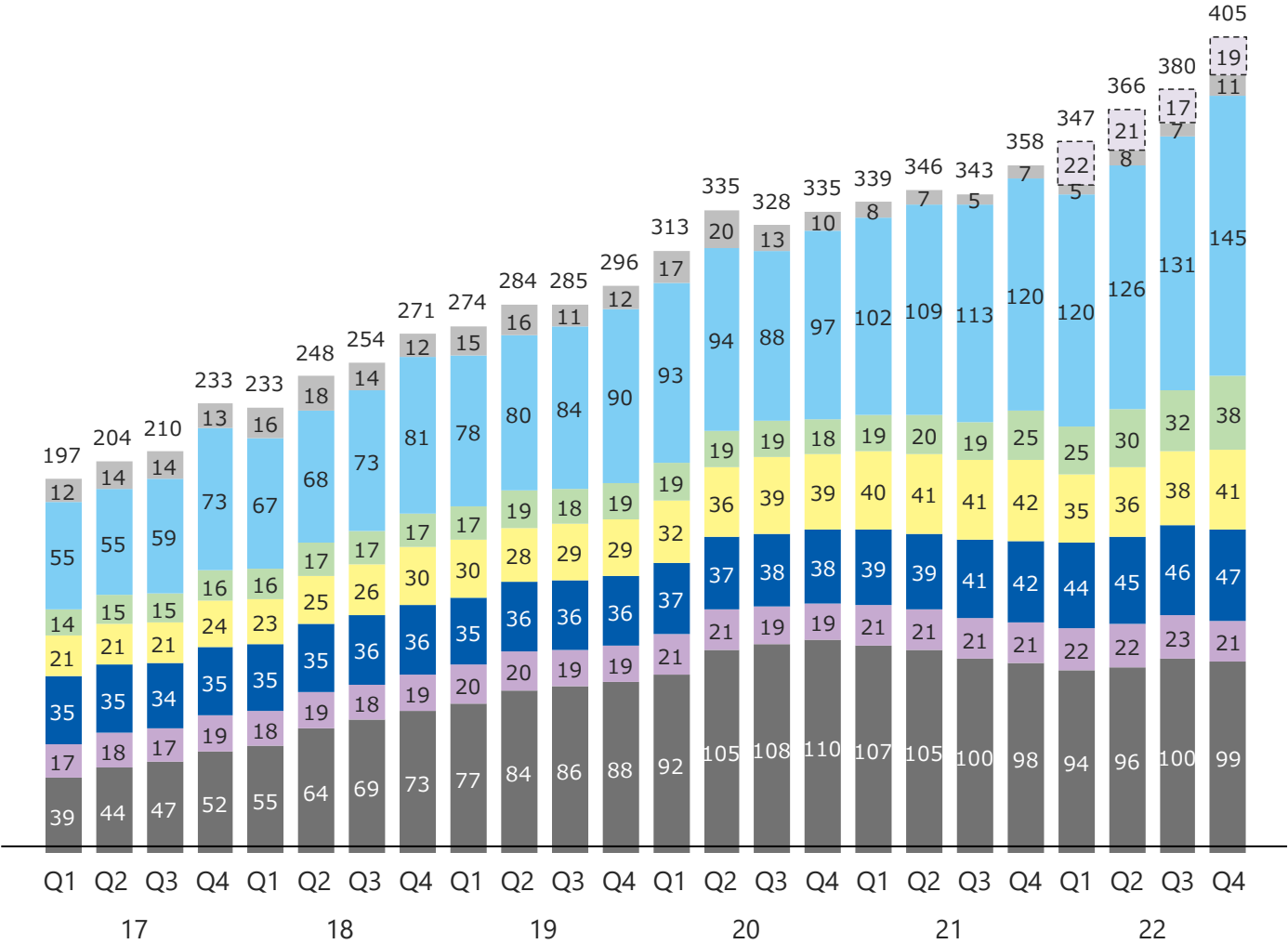
Record
high



Internet Infrastructure | Net Sales by Sub-Segment

(JPY 100M)

Compared to the same period last year (old v.s. new)



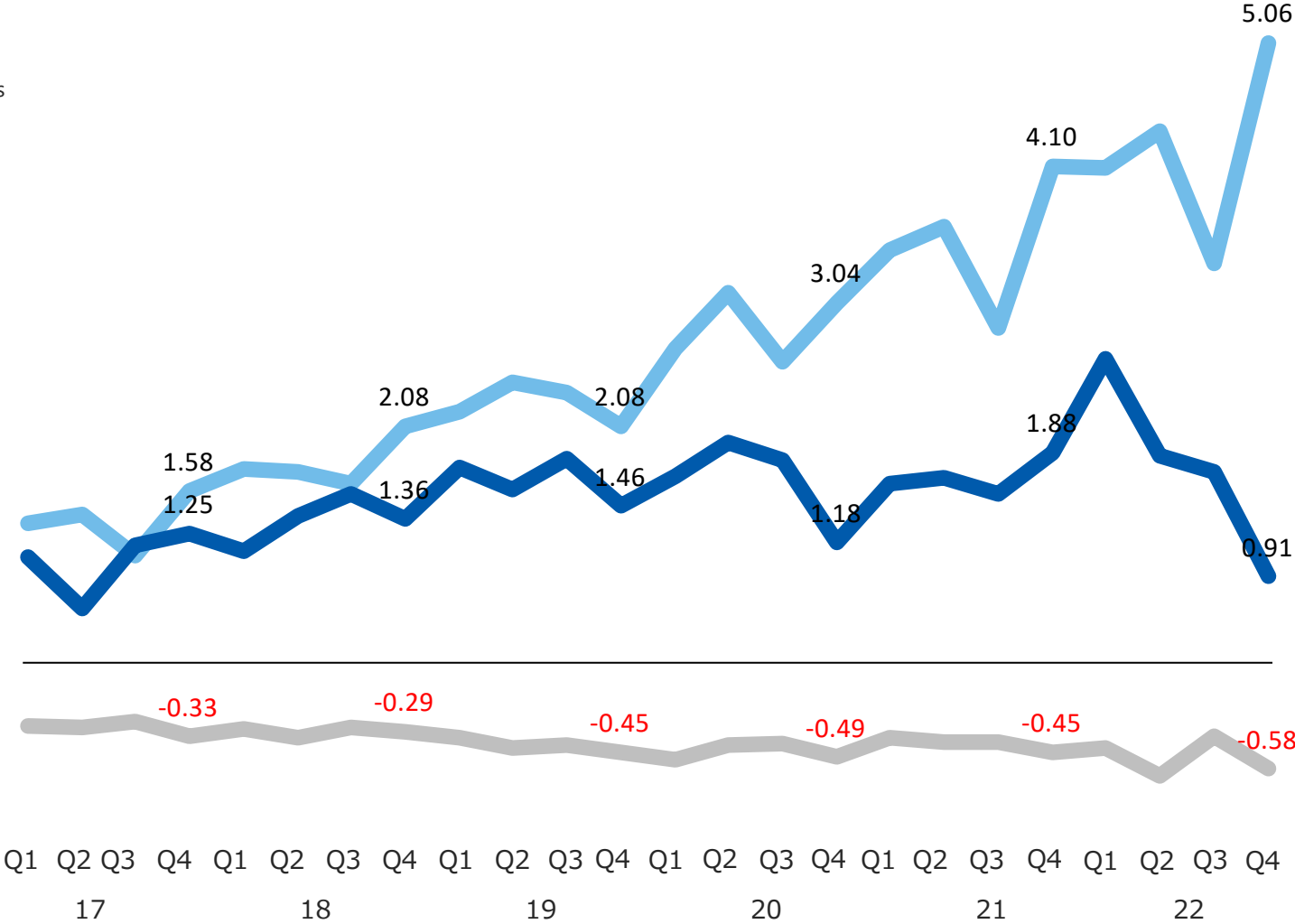
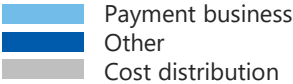
Revenue up
13.1%
YoY

- Difference between old and new standards
- Other
- Payment
- Security
- Ecommerce Solutions
- Hosting & Cloud
- Domain
- Provider

* Numbers of domain and security businesses revised retroactively to Q1 FY2017 due to changes in the structure of the segment

Internet Infrastructure | Breakdown of Operating Profit

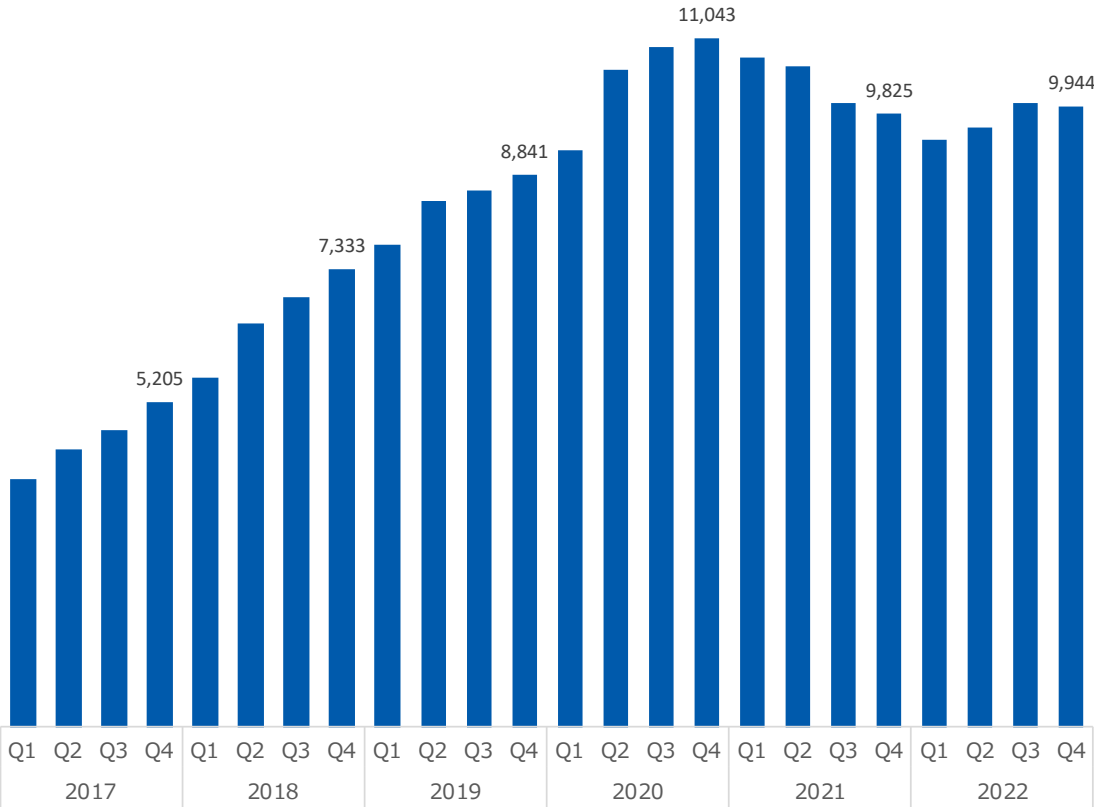
(JPY billions)



Internet Infrastructure | Provider - KPIs

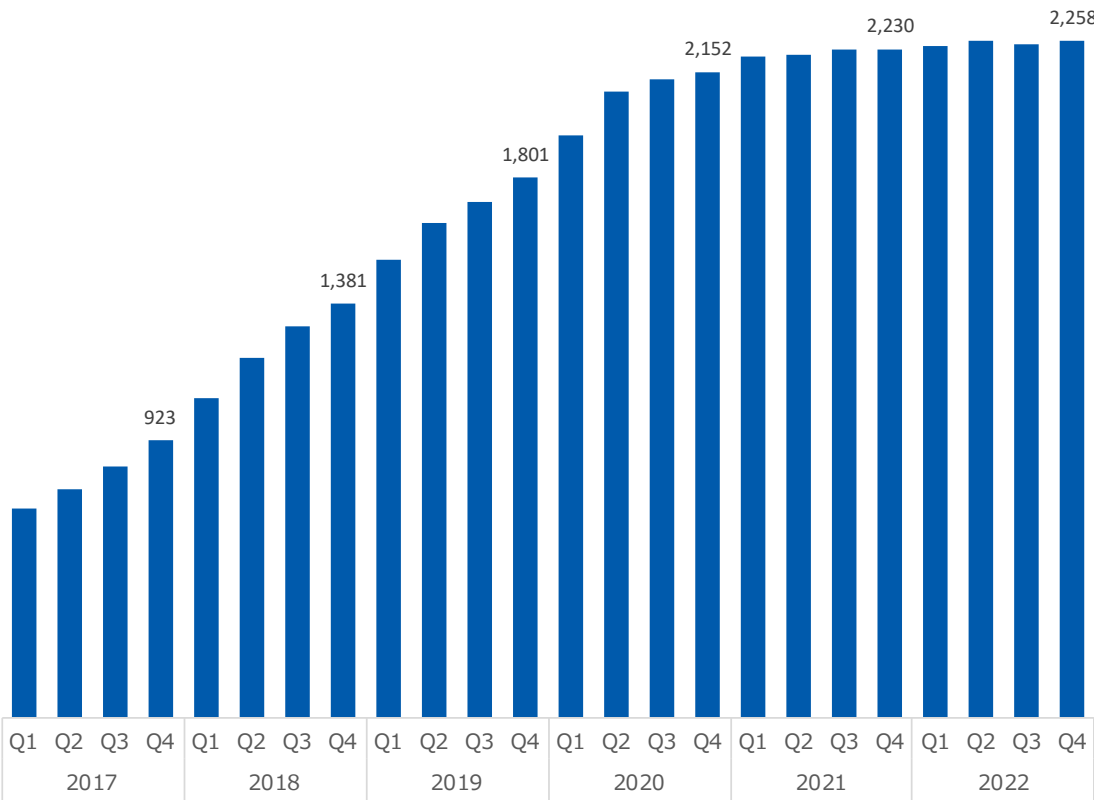
Revenue

(JPY millions)



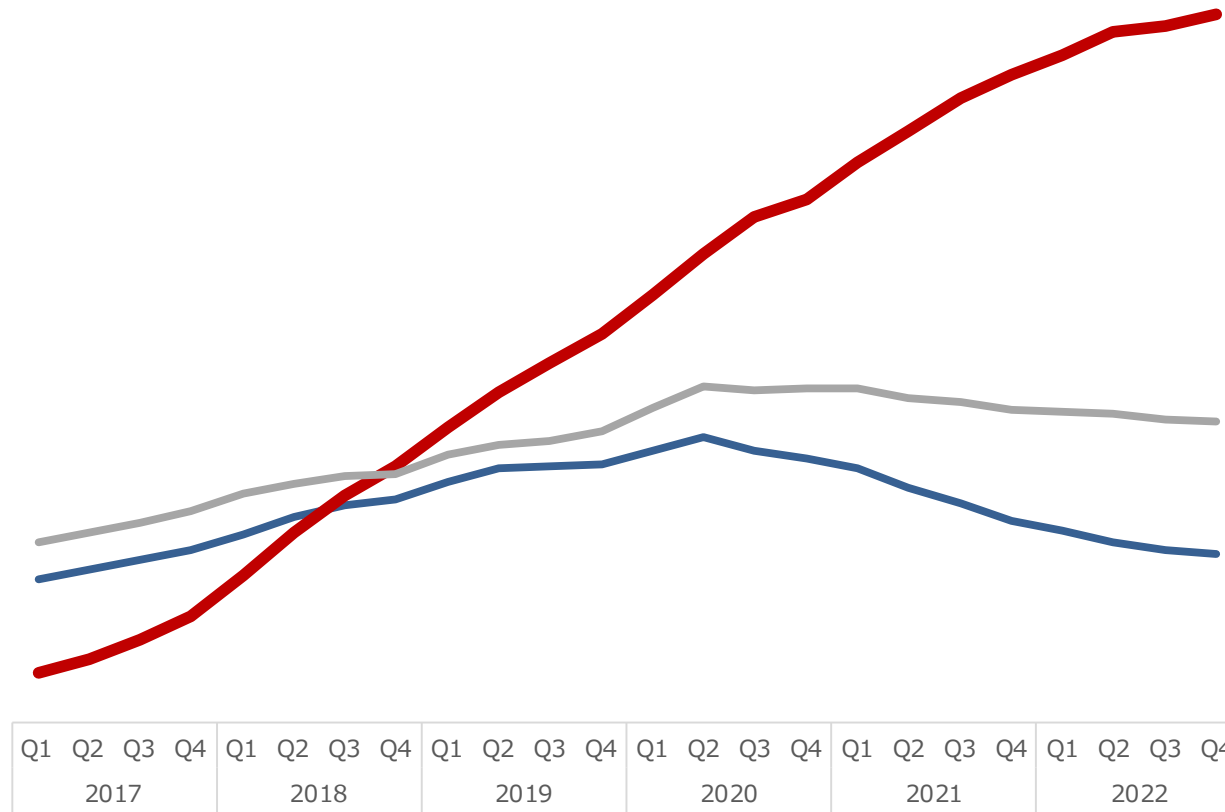
Subscriptions

(thousands)



※Difference between old and new standards FY22Q1▲1,018 M,Q2▲881M,Q3▲812M,Q4▲912M (JPY)

Internet Infrastructure | Provider - KPIs (number of lines)



Optical line

GMO光アクセス

(Since July 2021)

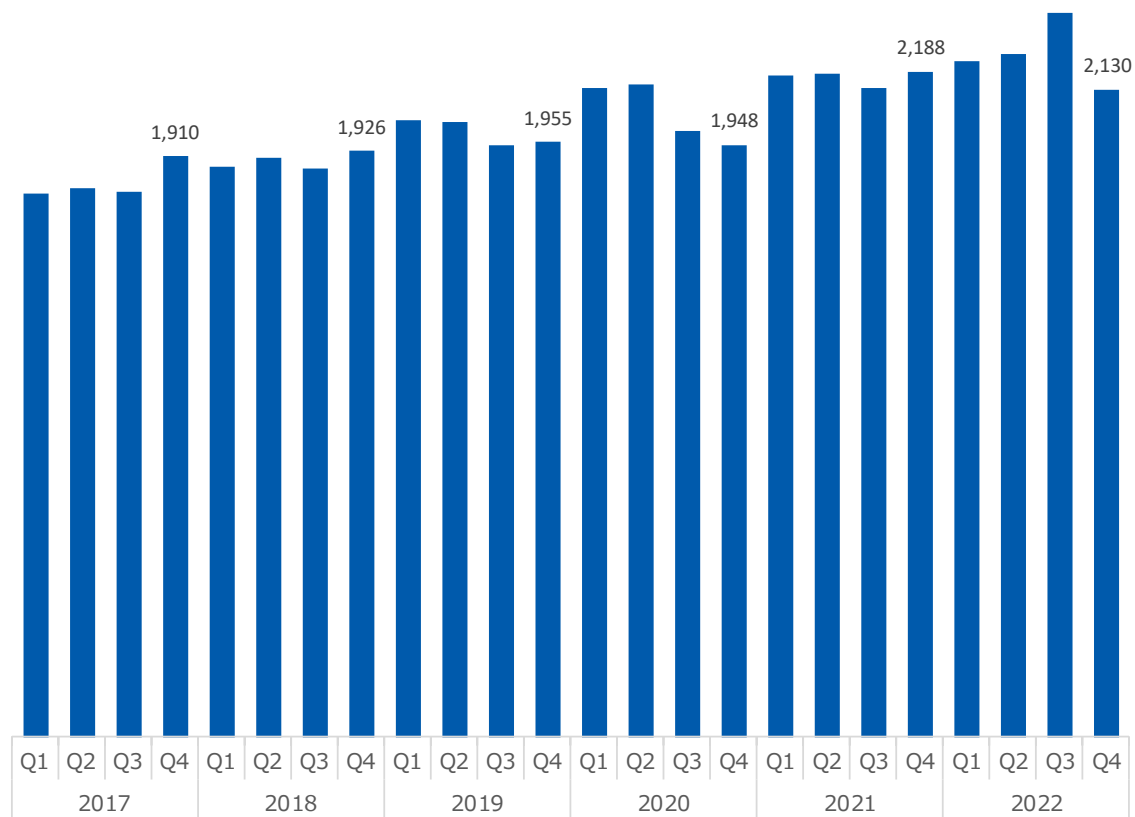
Others

Mobile

Internet Infrastructure | Domain Registration - KPIs

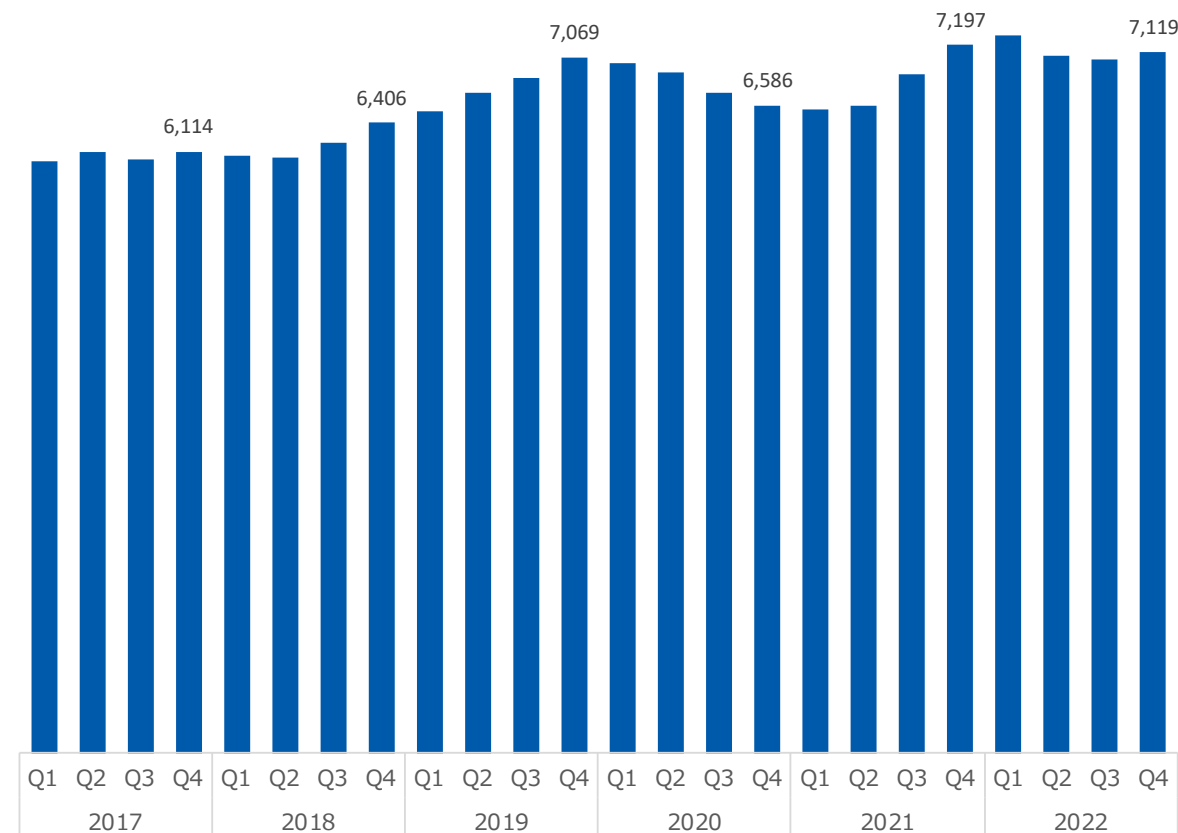
Revenue

(JPY millions)



Contracts

(thousands)



※Difference between old and new standards FY22Q1▲181M,Q2▲177M,Q3+57M,Q4▲181M (JPY)

※Retroactive correction after FY2017 Q1, due to reorganization of subsegment

Internet Infrastructure | Domain business

**Registry
(wholesale)**

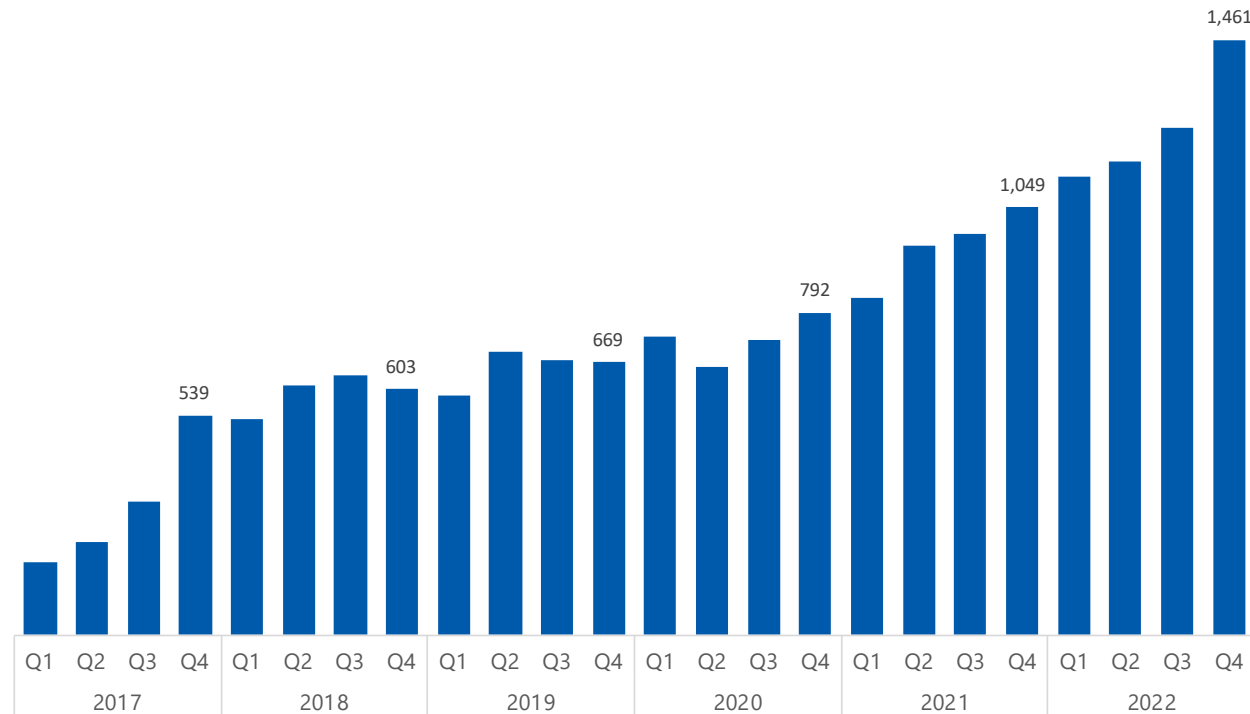
**Registrar
(registration/sale)**



Internet Infrastructure | Domain business

.shop contracts progress

(thousands)



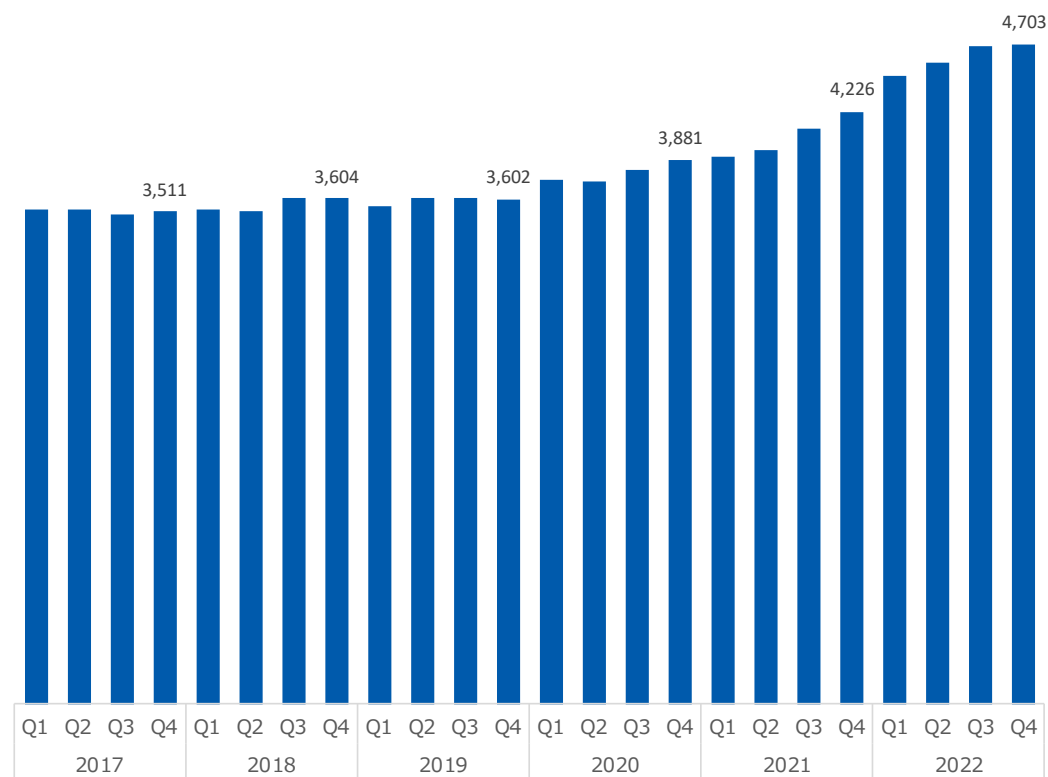
Renewal rate: **68.6%***

* Renewal rate for domains registered between September 2016 and Nov 2020 (2nd renewal)

Internet Infrastructure | Hosting & Cloud - KPIs

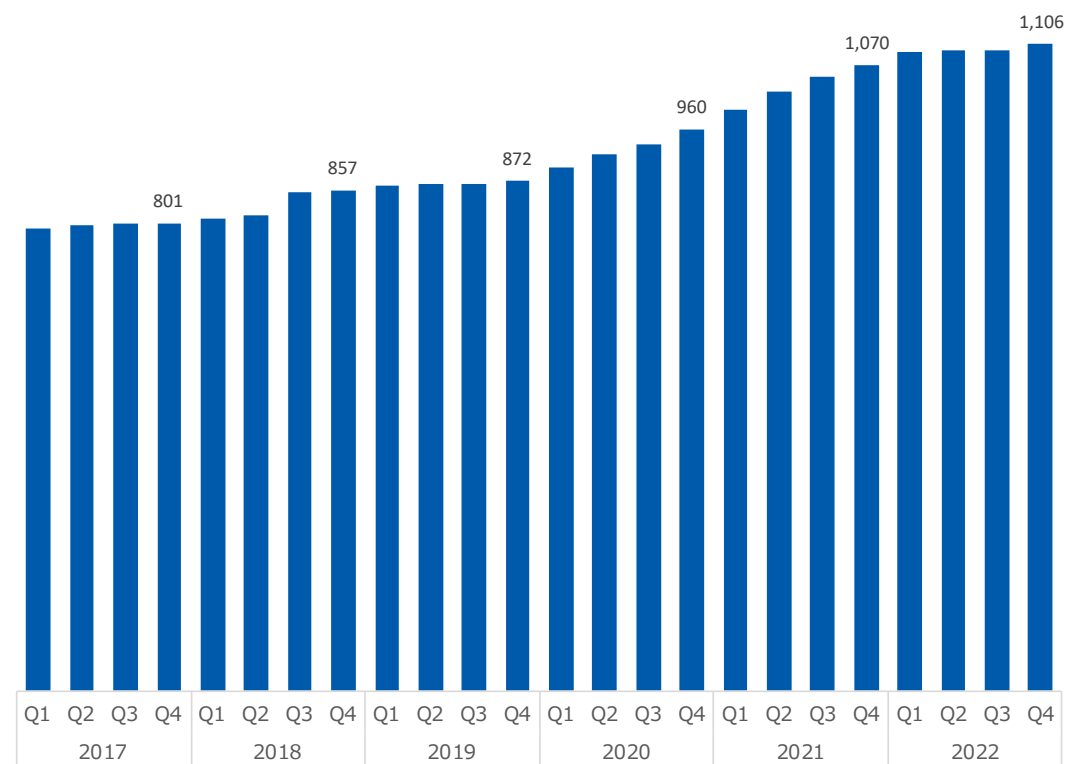
Revenue

(JPY millions)



Contracts

(thousands)



Difference between old and new standards: FY22,Q1▲3M,Q2▲4M,Q3▲9M,Q4+2M(JPY)

Broad ASP shopping cart businesses

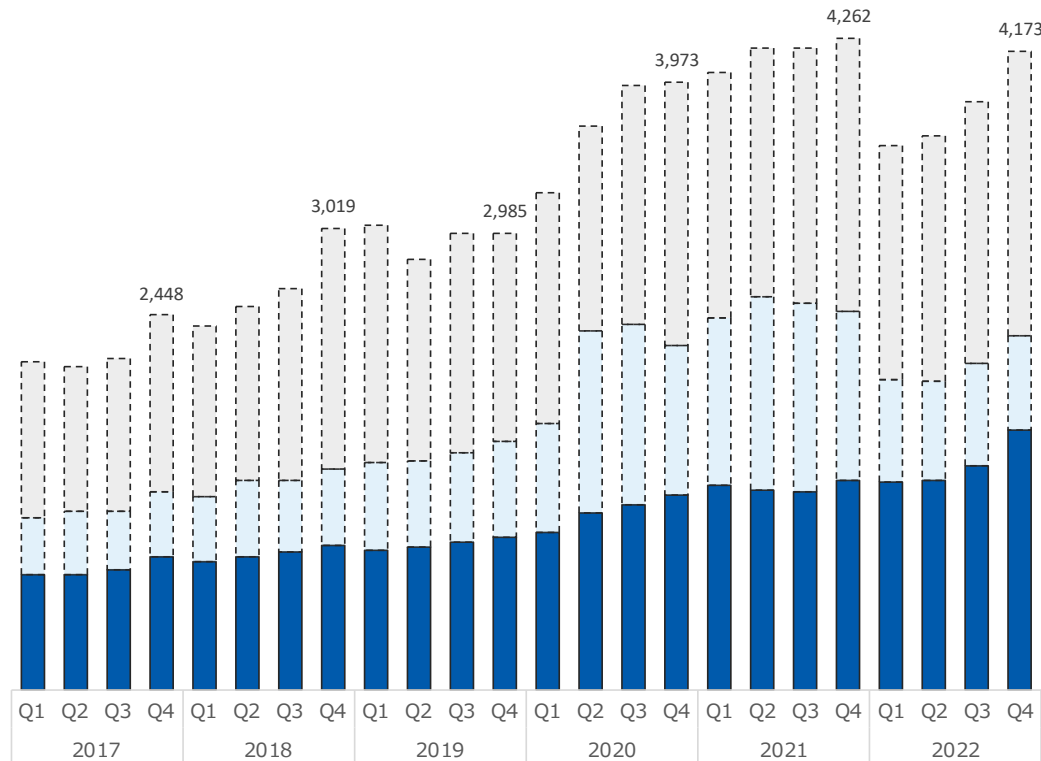
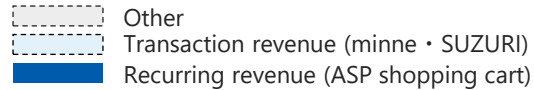
Recurring revenue and transaction revenue through a natural cross-selling

Feature	Online store	Payment
Service		
Business model	Recurring	Transaction
Revenue	Number of stores x unit price	GMV x commission rate, etc.
Reportable segments	Ecommerce Solutions	Payment

Internet Infrastructure | Ecommerce solutions - KPIs

Revenue

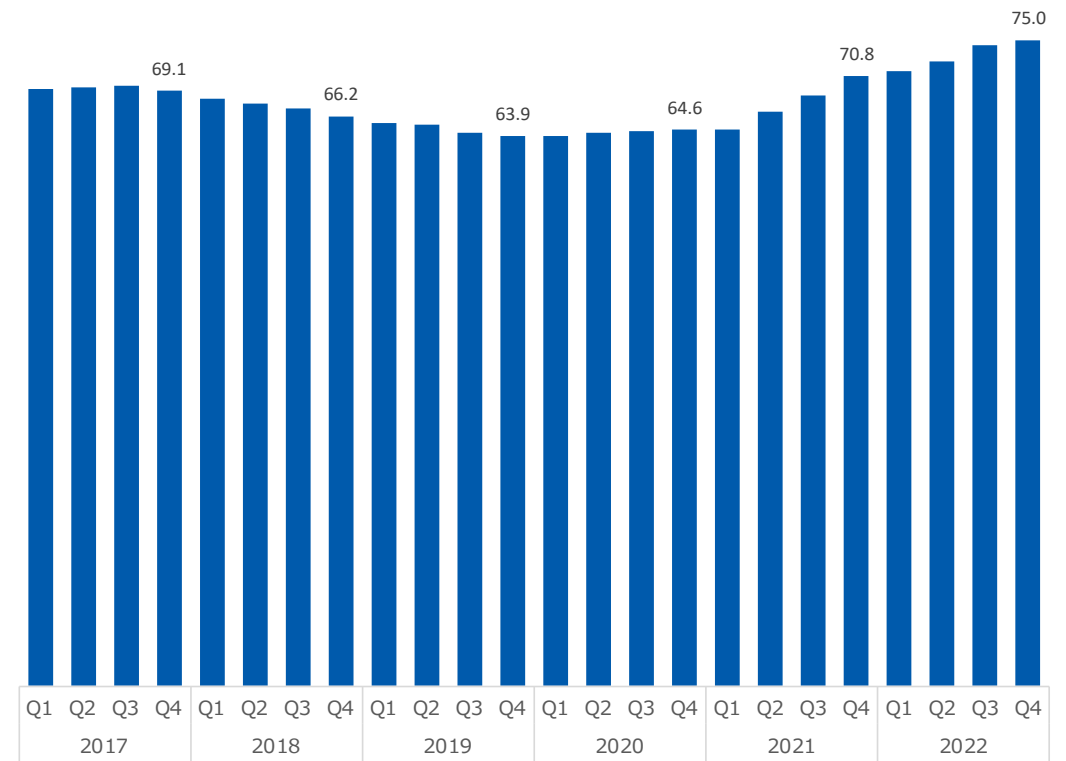
(JPY millions)



Difference between old and new standards:
FY22Q1 ▲702M, Q2 ▲694M, Q3 ▲624M, Q4 ▲719M (JPY)

Contracts (ASP shopping cart)*



(thousands)



* Figures corrected retroactively to 2015 as the OEM contains certain free accounts.

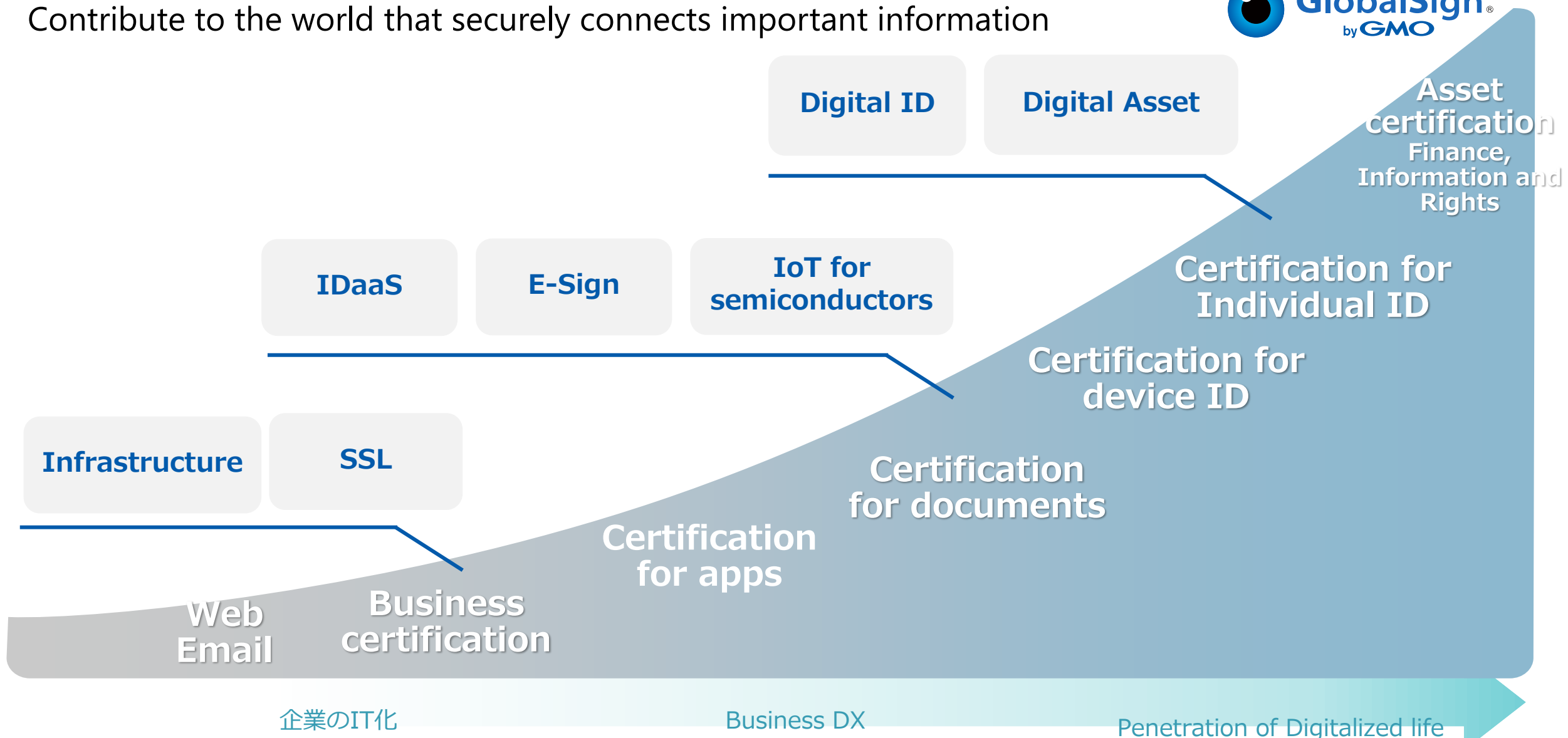
*The number of customers using a free plan of Color Me Shop! has been added since Q2 FY2021.

Having our own Certificate Authority, we can provide both of types

	◆ E-sign	◆ Digital-Sign
Proof strength	 (Electronic Signature Law Article 3)	
Process	Approved by Certificate Authority	Verified by email
Merit	strict governance	Less load for contractual partners
Demerit	Much load for partners	Complicated management of the stamp rights

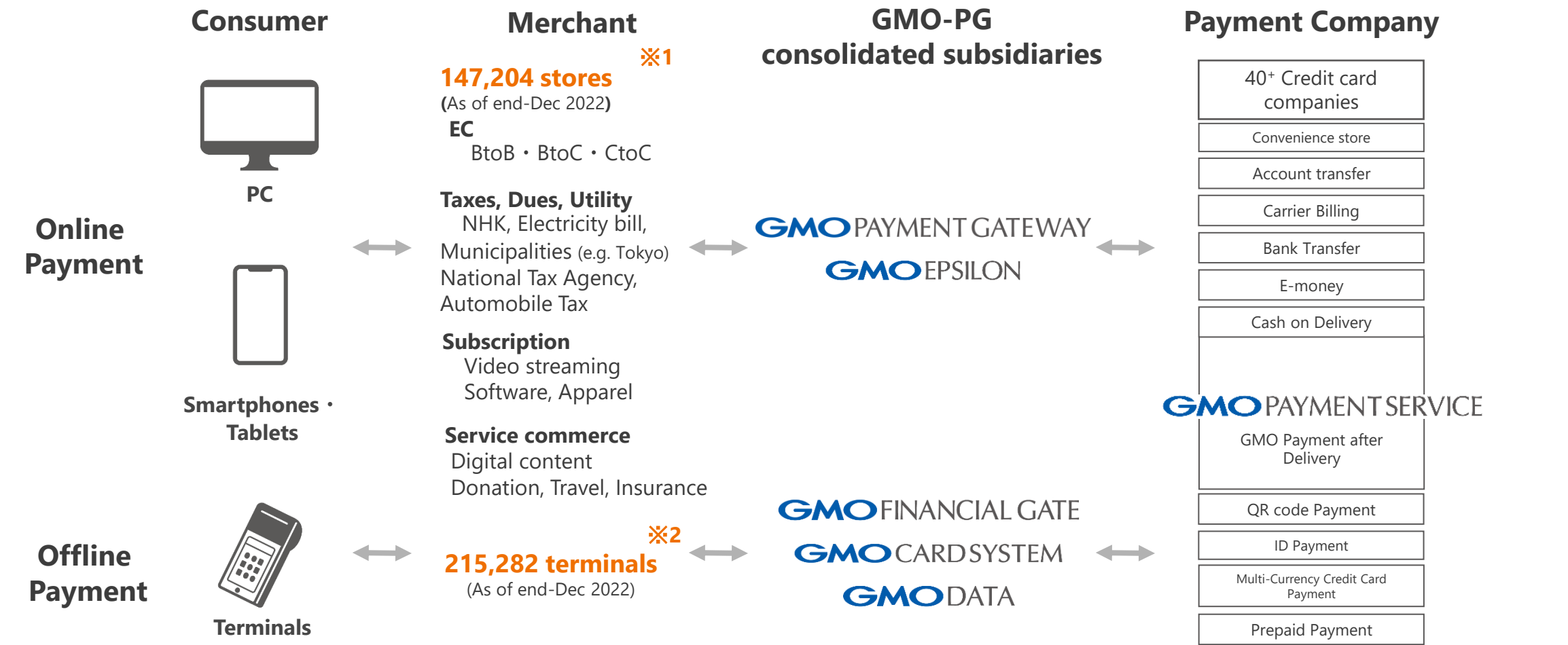
Internet Infrastructure | Security business | Our vision

Contribute to the world that securely connects important information



Internet Infrastructure | Payment processing -Our Role

Connecting merchants and payment companies on contracts, payment data and money flow

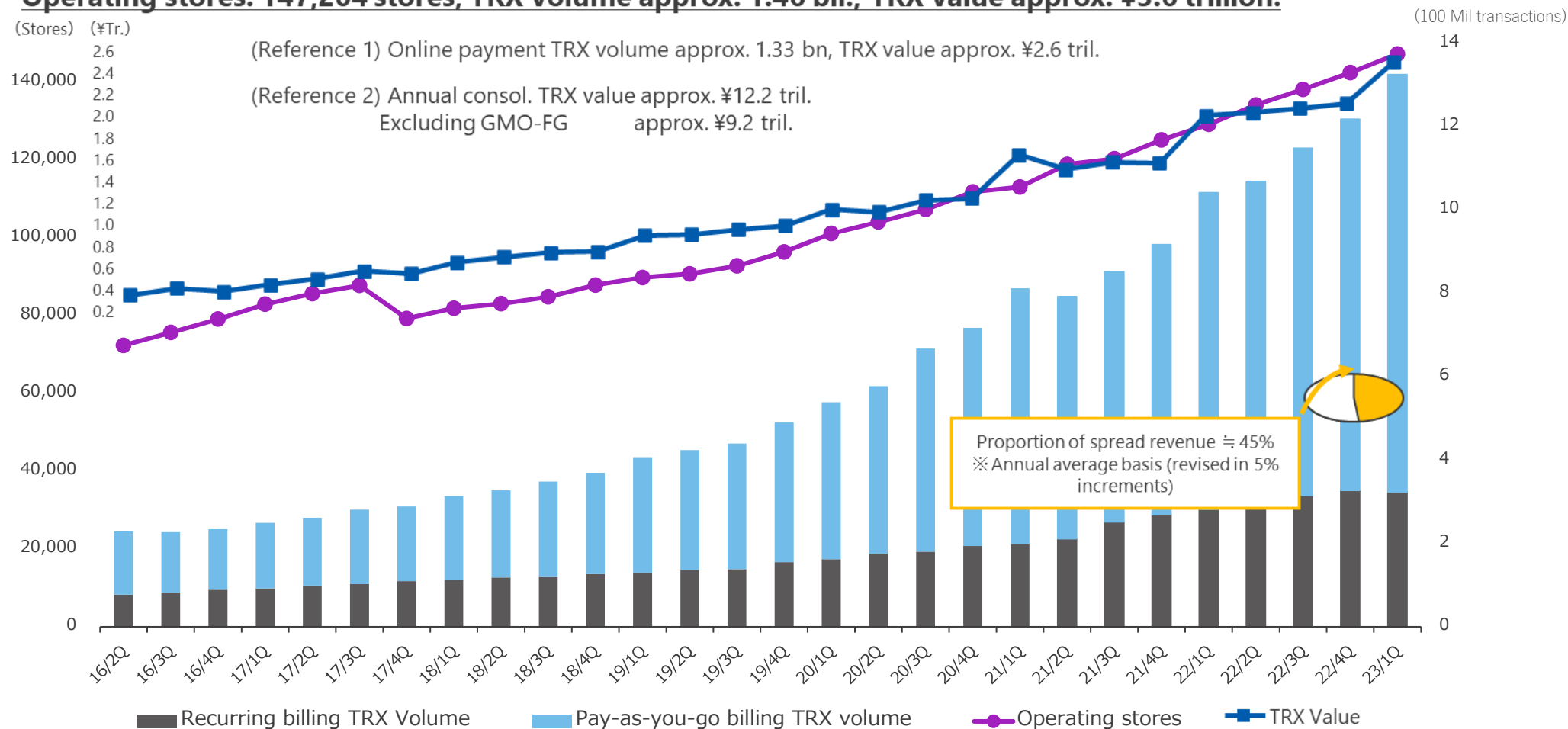


※1 Changed the basis of recording from 3Q FY2022. Figures exclude an operating stores of a specific case and fincode byGMO. If included, the number of operating stores is 502,160 stores as of end of December 2022 (up 37.6% YoY).
※2 Operating payment terminals: Starting from FY2021 the figure presents the combined number of payment terminals sold through sales partner and embedded-type payment terminals. (up 44.3% YoY)

Internet Infrastructure | Payment Quarterly KPIs

Group-wide annual TRX value reaches approx. ¥12.2 trillion ※2

Operating stores: 147,204 stores, TRX volume approx. 1.46 bil., TRX value approx. ¥3.6 trillion. ※1



※1 Figures exclude an operating stores of a specific case and frcode byGMO. Figures exclude the stores related to a large delivery company from Q1 FY2017. If included, operating stores would be 502,160 (up 37.6% YoY). ※2 Operating stores are measured on an end-of-quarter basis. Figures for GMV value and volume are the total for the respective quarter.

※3 The graph is based using only online payment figures. ※4 The standards for calculation the number of operating stores has been revised from Q2 FY2022. Figures from Q3 FY2015 have been retroactively adjusted on the same basis.

Online Advertising & Media

Online Advertising & Media | Full-year results

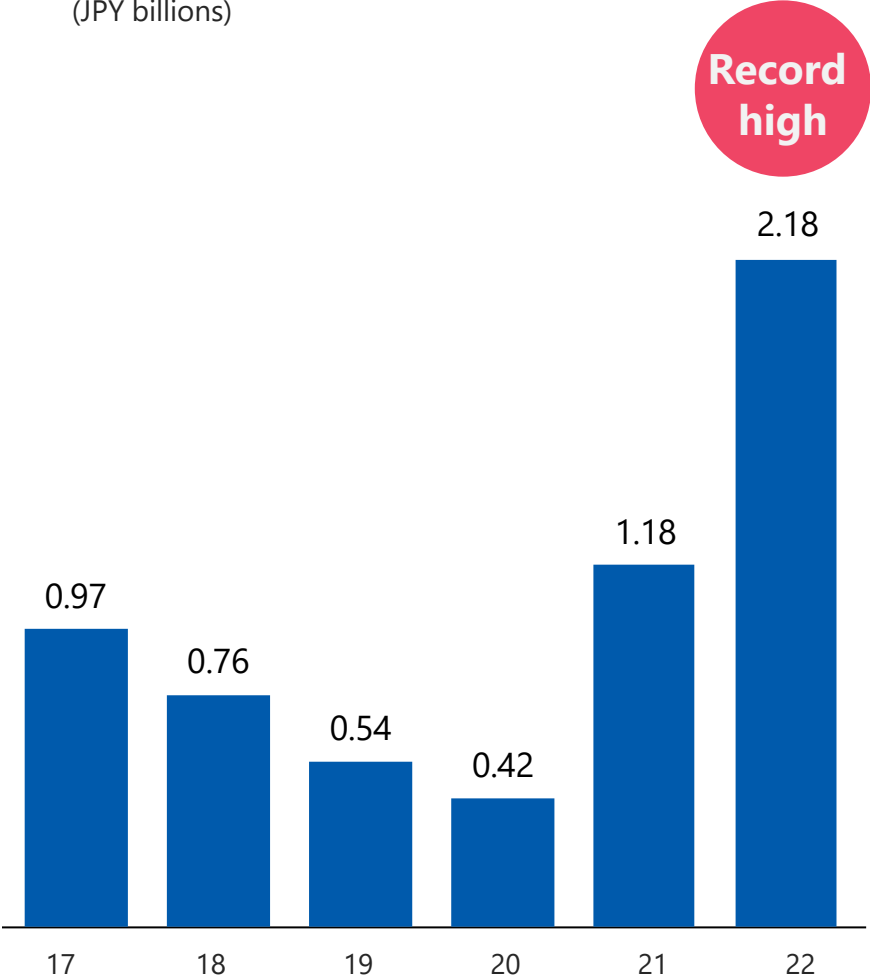
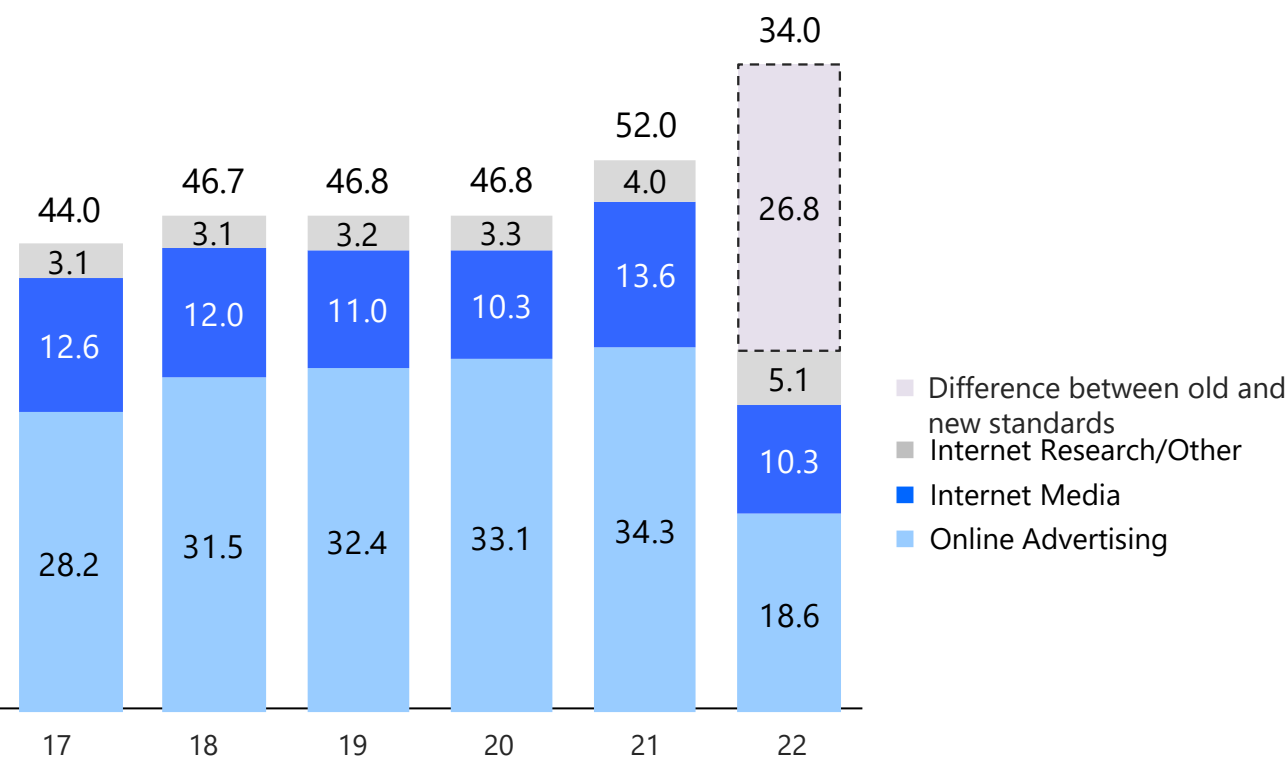
Compared to the same period last year (old v.s. new)

Net Sales: Down **34.6%** YoY

Operating Profit: Up **84.4%** YoY

(JPY billions)

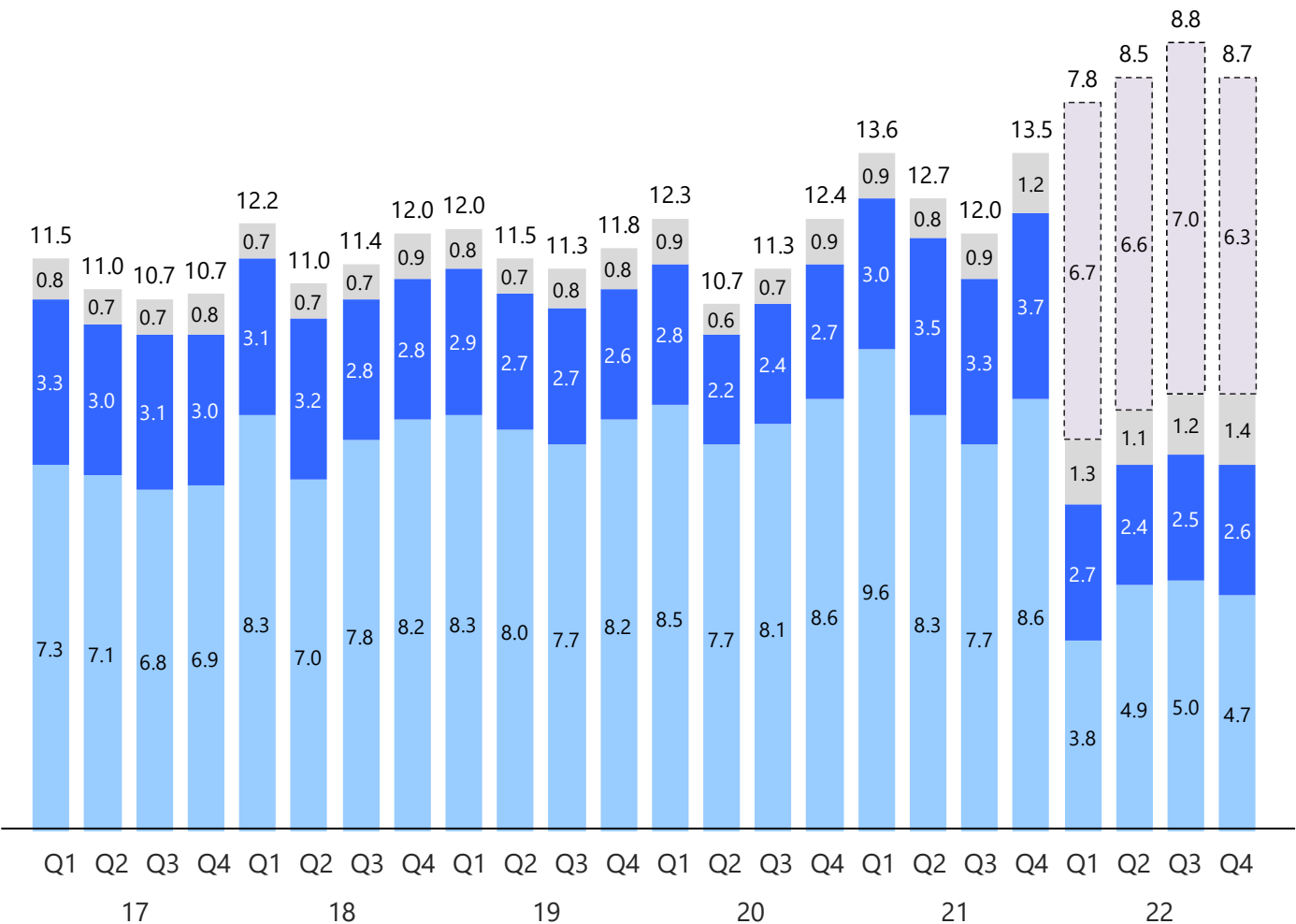
(JPY billions)



Online Advertising & Media | Net Sales

(JPY billions)

Compared to the same period last year (old v.s. new)



Revenue down
35.5%
YoY

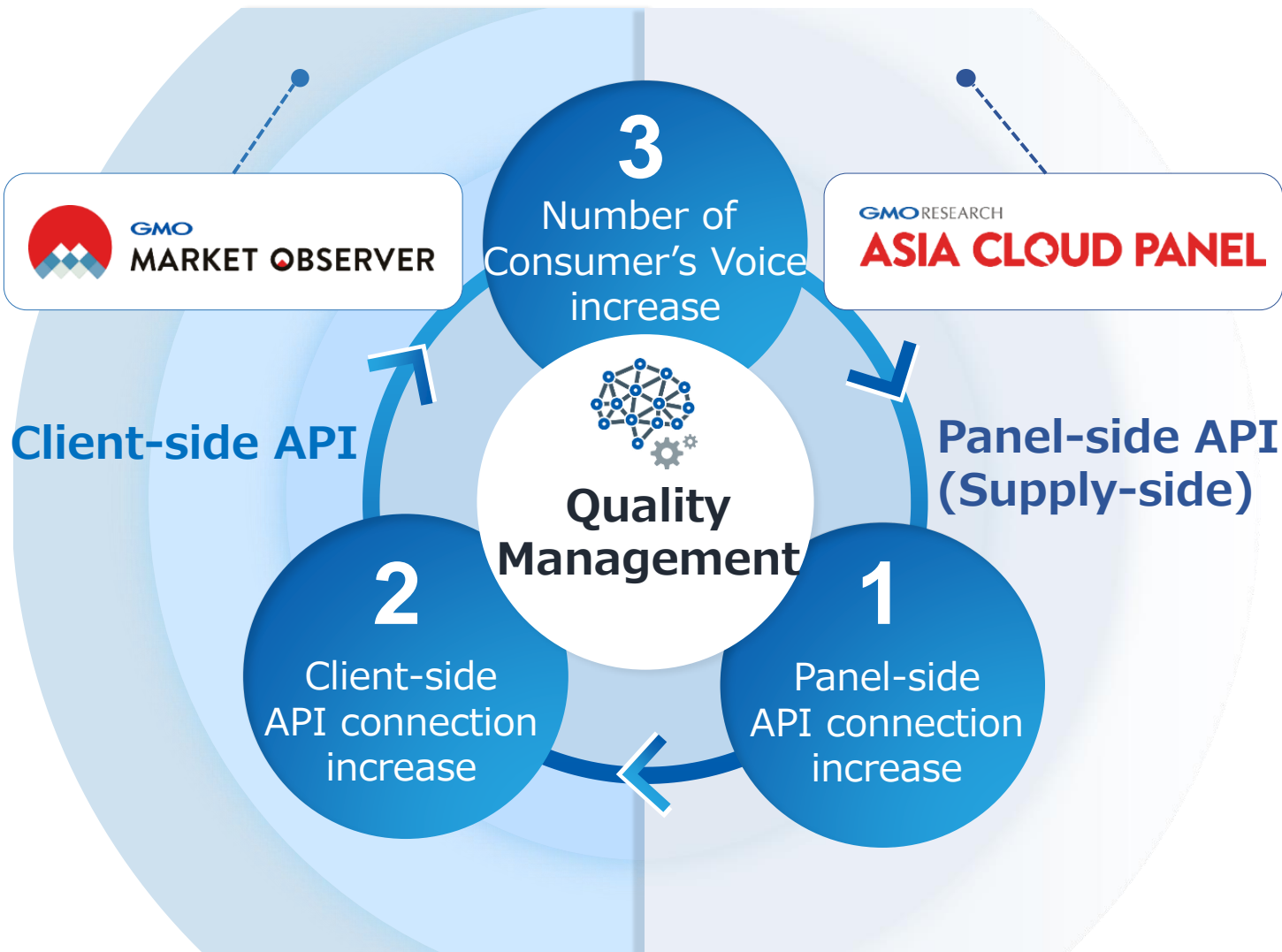
- Difference between old and new standards
- Internet Research/Other
- Internet Media
- Online Advertising

GMO-Research | Audience Engagement Platform

Audience Engagement Platform

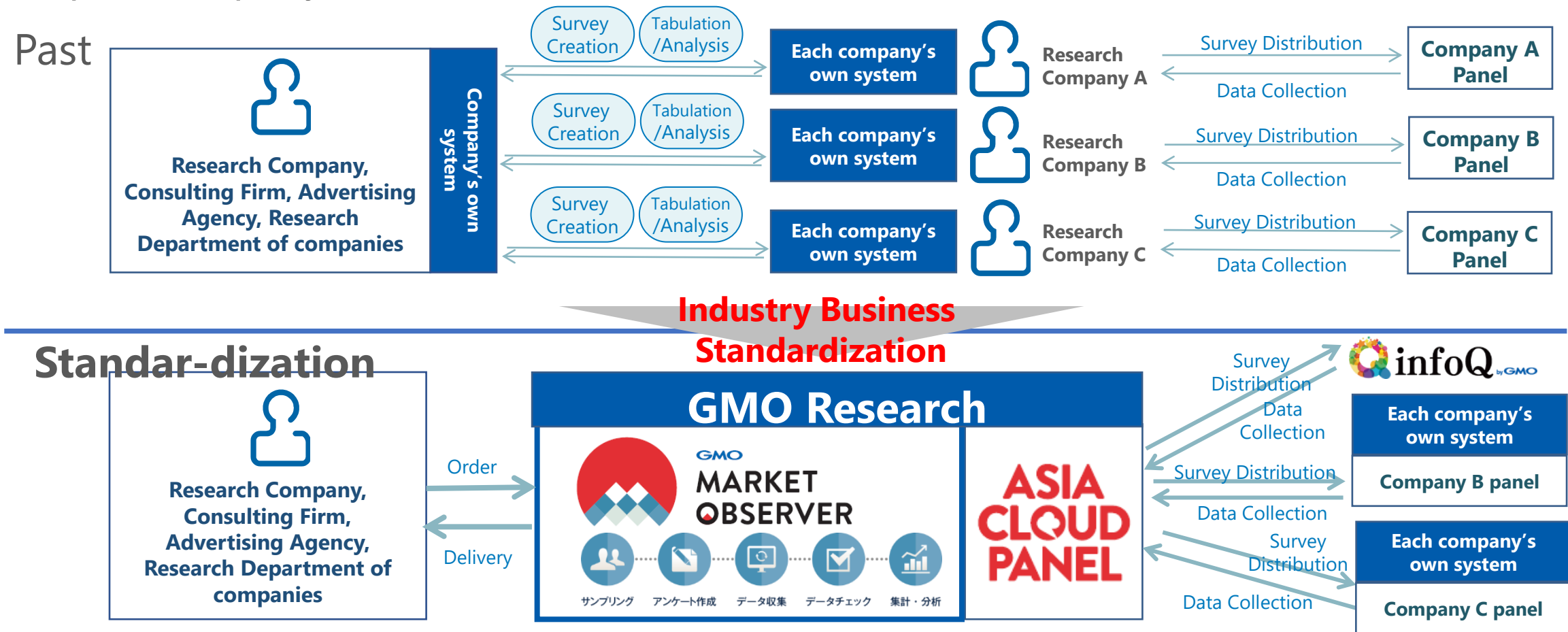


GMO RESEARCH
ASIA CLOUD PANEL



GMO-Research | Business Model

Standardization of low-cost internet research tools which were previously developed on a per-company basis



GMO-Research | What's happening in the Sample Panel Market

- Established Market Research companies continue to outsource online sample management
- Marketers easily perform lite research with panels (consumers) with Self Service Platforms
- API connections with other sample panel providers using lite research platform continues



Internet Finance

FY2022 | Recorded the Provision of Allowance for doubtful accounts at consolidated subsidiary

Background of this matter

GMO-Z com Securities (Thailand) -GMO Financial HD's subsidiary.

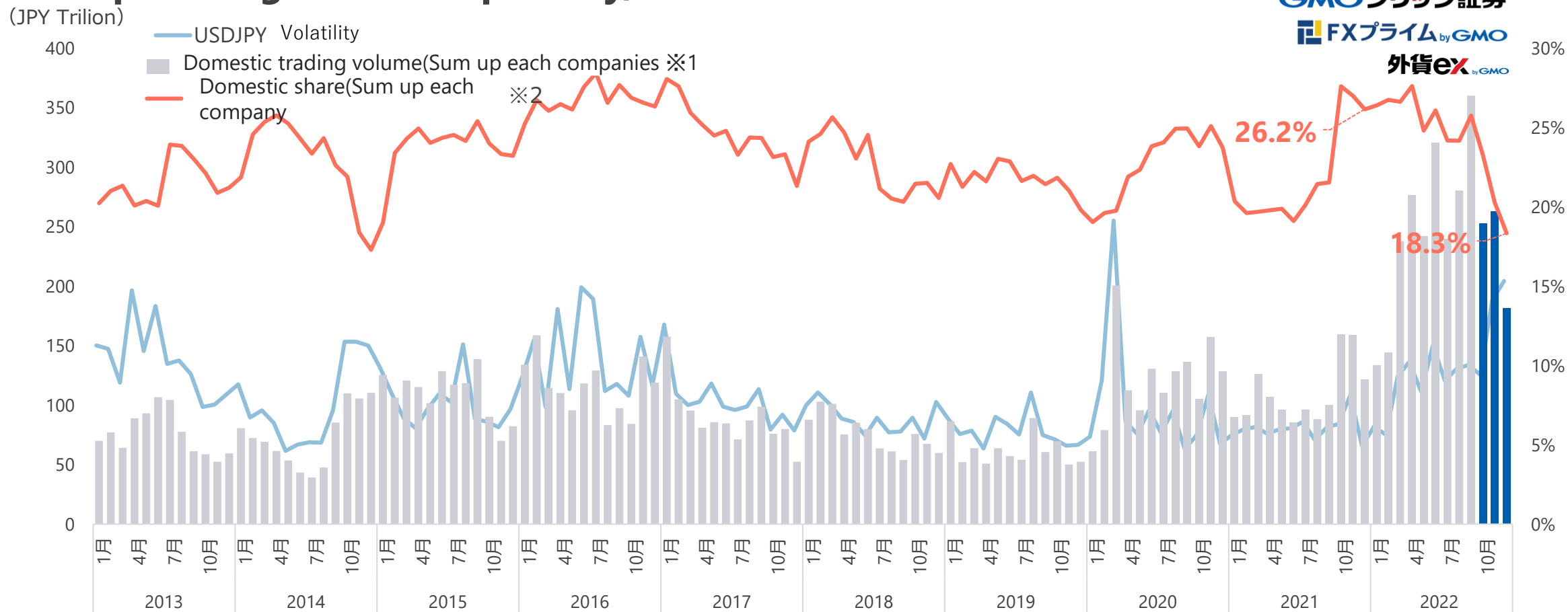
- Considered Nontransparent transactions have taken place across the stock market of Thailand regarding substitute security, one stock in Q4.
- GMO Z.Com Securities Thailand has accepted such securities as collateral from customers and has been considering the recoverable amounts of customer's borrowing on margin transaction, which the estimated allowance for doubtful accounts reflects of 3.5 billion yen as selling, general and administrative expenses, including the above items. GMO internet group have also been reflected about 2.3 million yen as net income.

Outlook

- In the future, GMO-Z com Securities (Thailand) may obtain additional information when estimating the allowance for doubtful accounts and if so, it may revise the provision of allowance for doubtful accounts.
- The Company will strive to enhance the governance of the risk management of its overseas subsidiary, prevent a recurrence, and reduce credit risks.

Internet Finance | Domestic FX Volume and share transition

Set up trading limits temporarily, the share declined



GMOFH made this material with FFAJ 「FX monthly bulletin

※1 FX trading volume : Earlier than Feb 2015, GMO Click's single unit number only. After March 2015 FX Prime by GMO was added. After Oct 2021 Gaika exbyGMO was also added.

※2 FX share: the number officially announced by FFAJ calculated as the whole market.

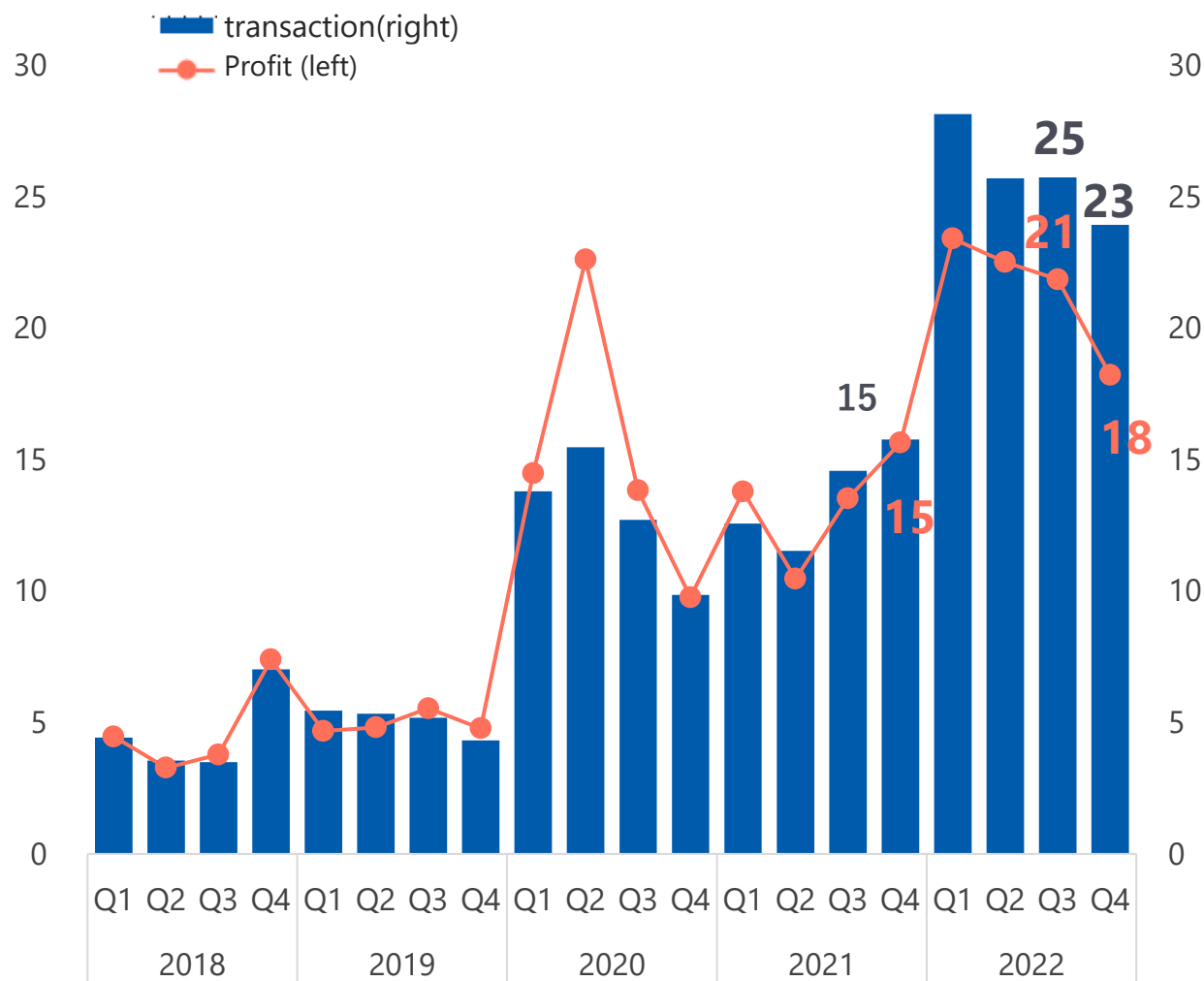
※Prepared based on results Presentation of GMO-Financial Holdings

Internet Finance | CFD Transaction and Profit transition

GMOCLICK SECURITIES

(JPY 100 Million)

(JPY Trillion)



Transaction volume

YoY

16.5% UP

Profit

YoY

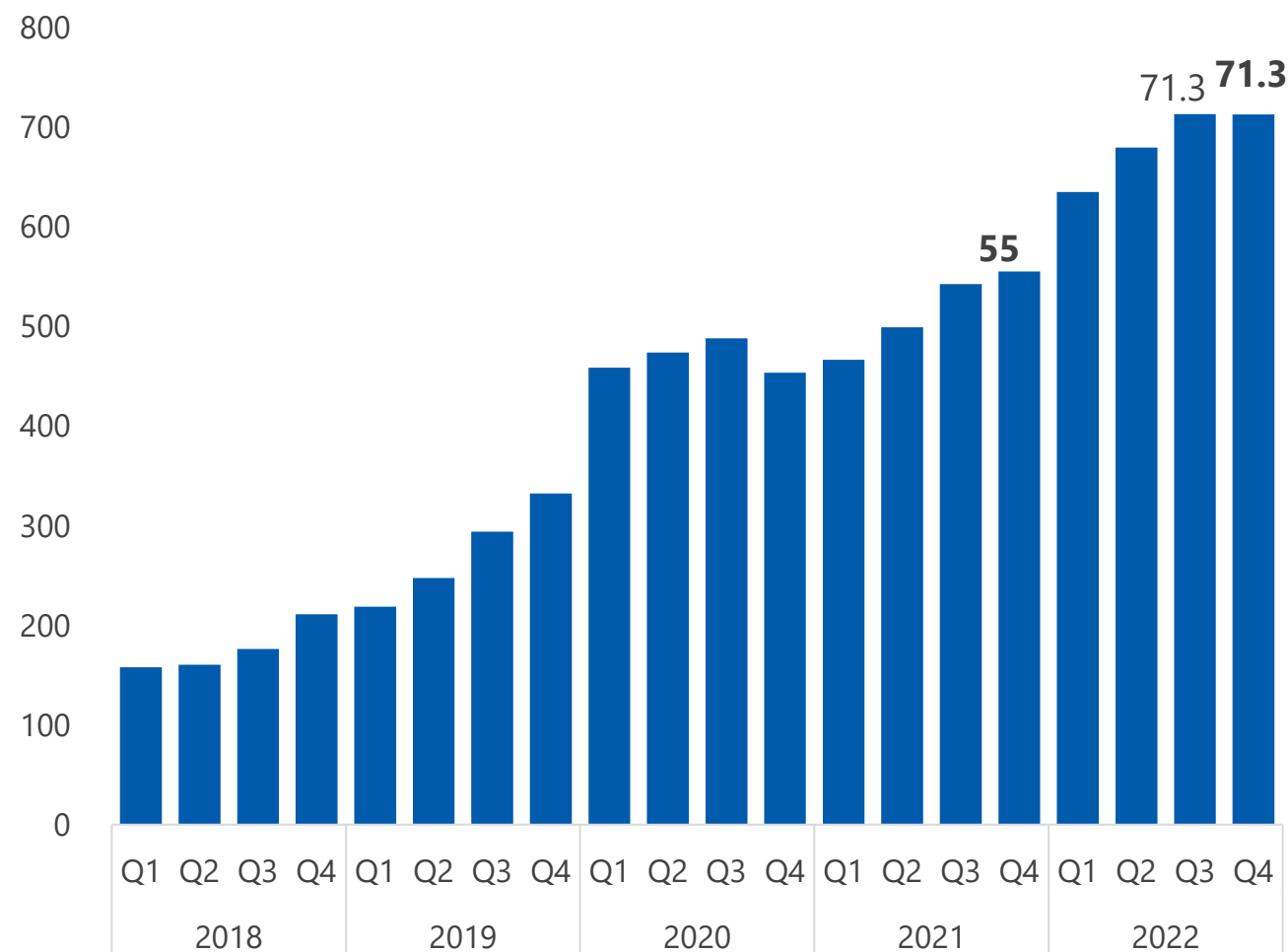
51.9% UP

* Prepared based on Results Presentation of GMO Financial Holdings

Internet Finance | CFD deposit margin balance

GMOCLICK SECURITIES

(JPY 100M)

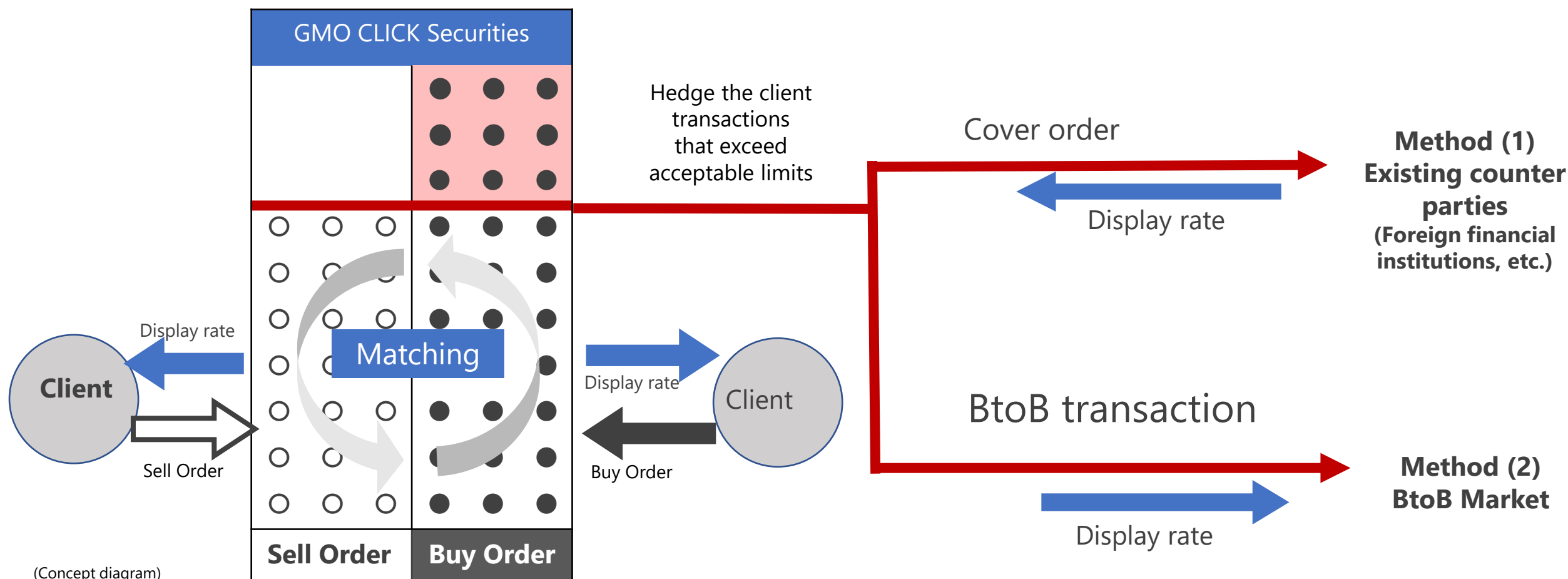


YoY **31.4 %UP**

Internet Finance | FX Business Model

GMOCLICK SECURITIES

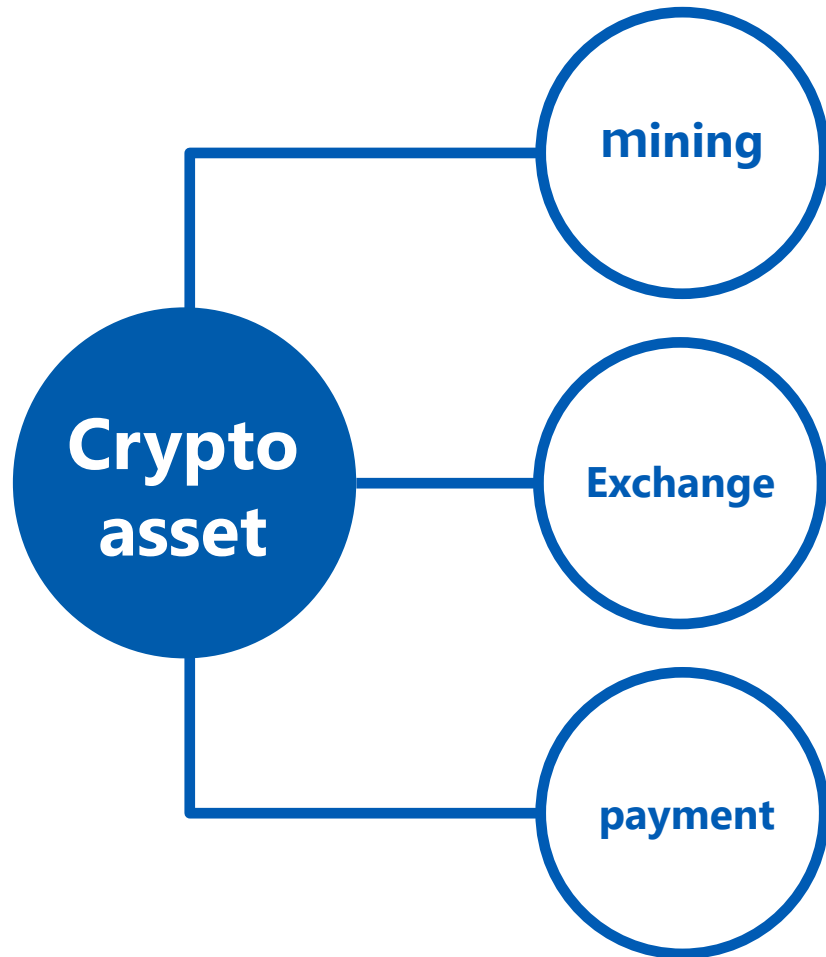
- Effective matching and thorough risk minimization with cover transactions executed with counter parties as soon as customer orders exceed acceptable risk position.



(Concept diagram)

Cryptoassets

Cryptoasset Business



Mining Business

Exchange business

Payment business

└ Issuing Stablecoin

GMO Coin

GYEN Z USD
Digital JPY Digital USD

Cryptoasset Exchange Business | Transaction volume



(JPY Billion)

14,000

12,000

10,000

8,000

6,000

4,000

2,000

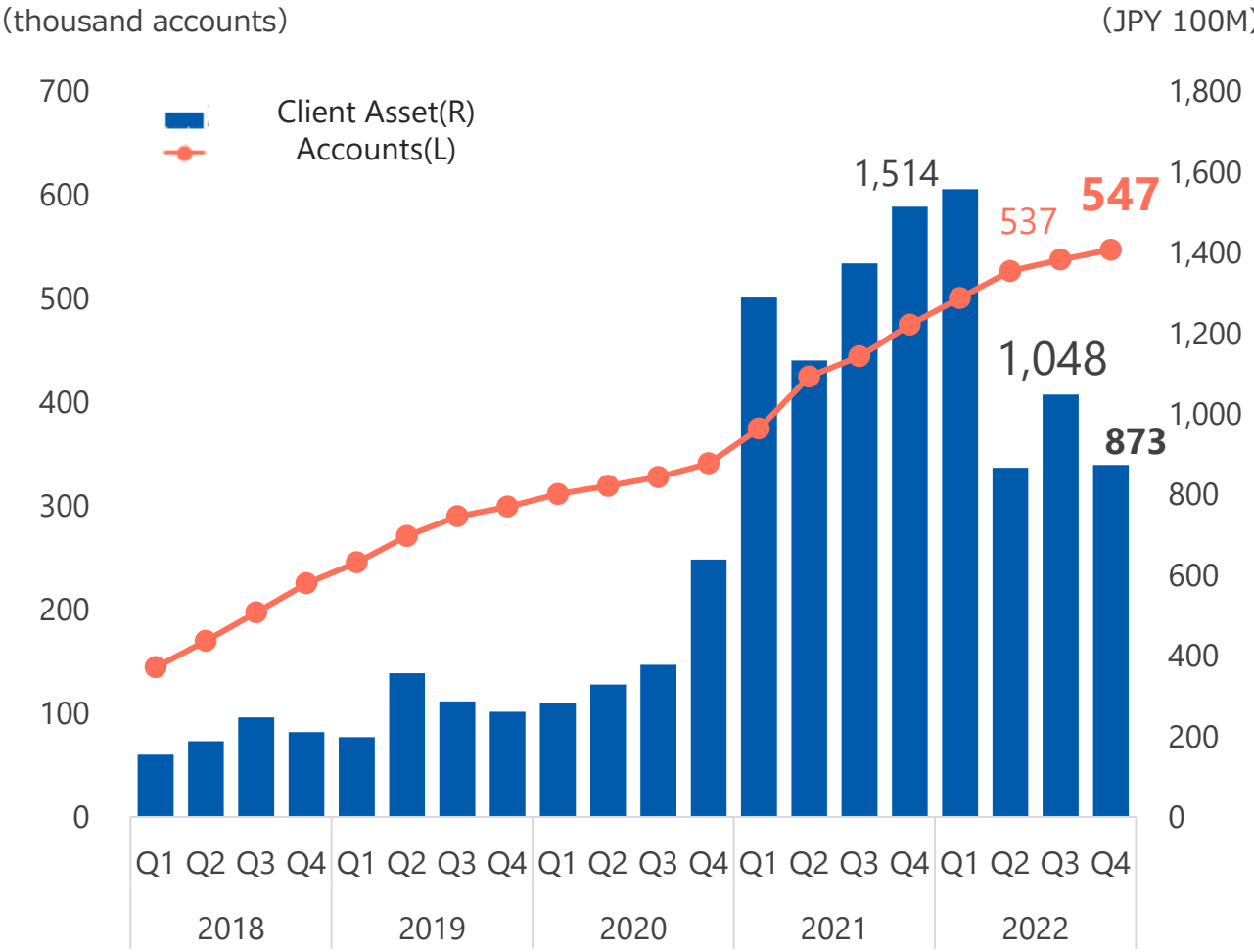
0

Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
2018				2019				2020				2021				2022			

YoY **77.7**
DOWN

<Q4'22 New Services >
12th Oct added SOL to OTC and deposit crypto
2nd Nov Added QTUM at Staking
17th Nov DOT,ATOM added o tStaking
12th Dec New ver. leased on smarphone app
21st Dec Expanding obtained information of 「Public API」

Cryptoasset Exchange Business | Accounts and deposit asset transition



Accounts

YoY **72 K UP**

Deposit Asset

YoY **42.3 %DOWN**

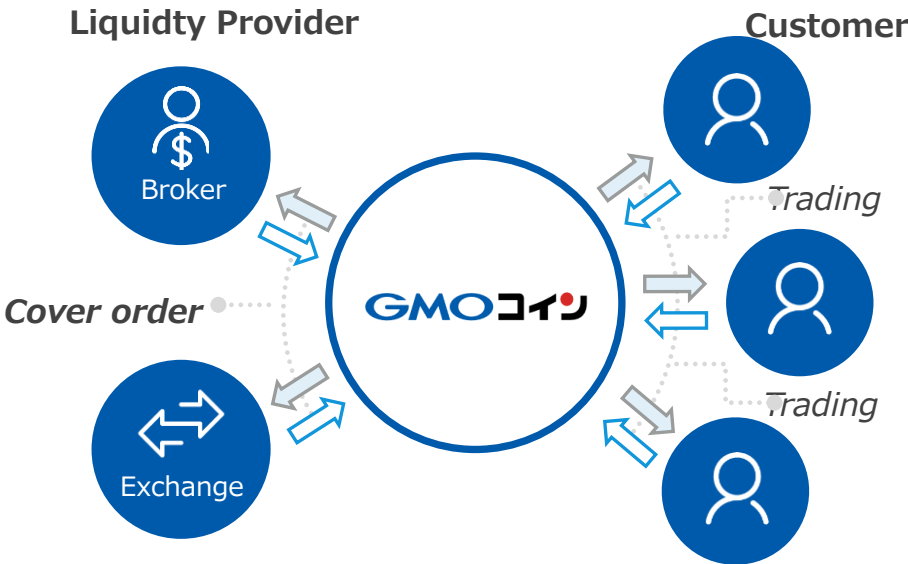
* Prepared based on Results Presentation of GMO Financial Holdings

Cryptoassets Exchange | Business model



OTC Trading

Hedging counter part positions
by cover order



Main income : Spread
(buy and sell spread)

Exchange Trading

Offering the order matching platform



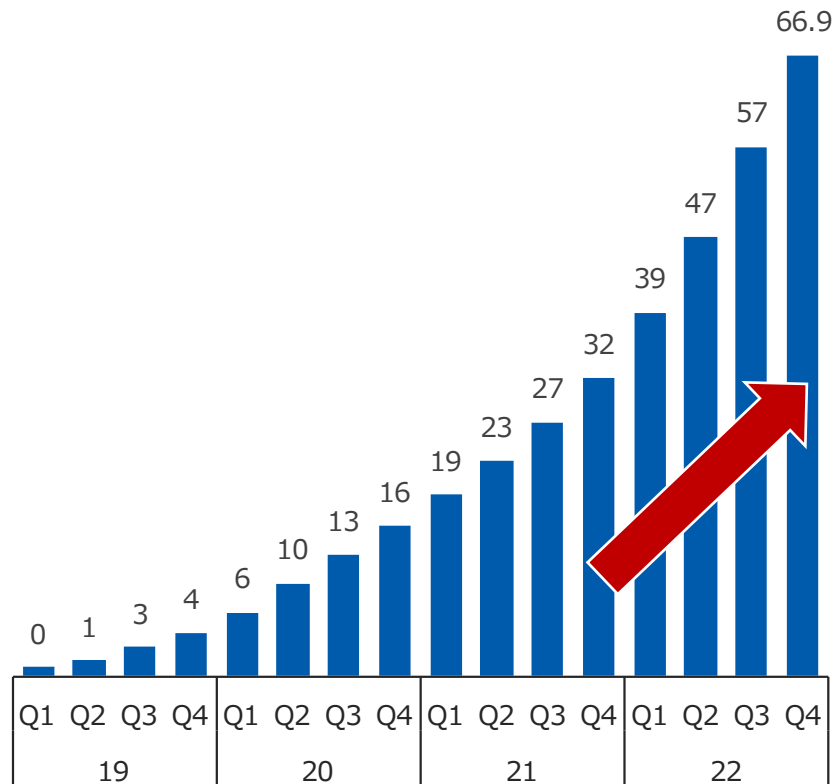
Main income : Transaction fee

GMO AozoraNet Bank

Net Bank | Number of business accounts

GMO AOZORA NET BANK

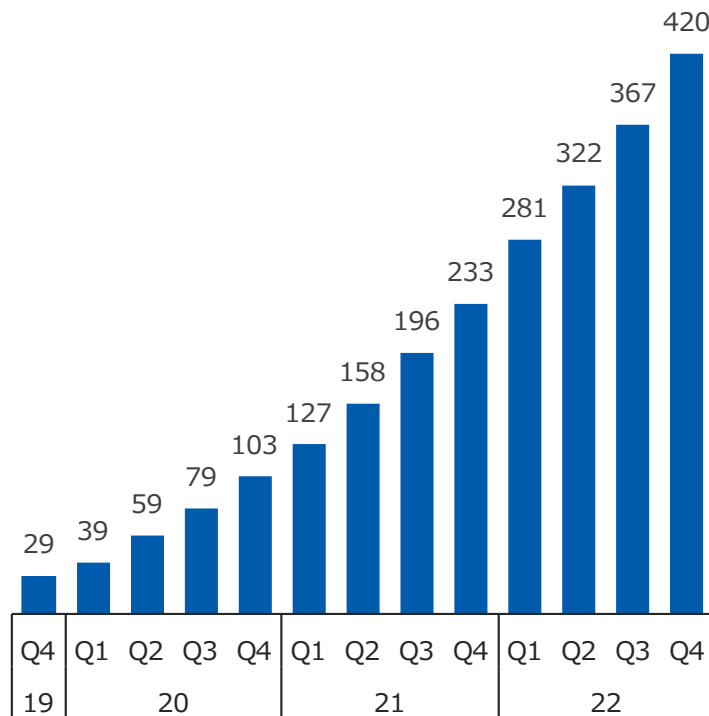
(Thousands)



2.0-fold UP YoY

Net Bank | Total number of contracted Embedded Financial service

GMO AOZORA NET BANK



Strong trend

GMO Web3

Team



Chairman

Masatoshi Kumagai

GMO Internet Group, Inc.
Chairman and Group CEO

Expertise: Growth and
management of IT companies



Representative Director and CEO

Tomohiro Uchida

GMO Internet Group, Inc.
General Manager, Corporate
Development

Expertise: Investment, M&A



Director

Masakazu Masushima

MORI HAMADA & MATSUMOTO

Expertise: Financial Regulations,
FinTech, M&A, Governance



Director

Yuki Naito

Drecom Co., Ltd.
President & CEO

Expertise: Growth and
management of an IT company /
Web3 Business Development in
entertainment space

Team

GMO Web3



Director

Toshiaki Horiuchi

GMO Internet Group, Inc.

Group Senior Managing Executive Officer

Expertise: Research and development/technical support for cutting-edge technologies such as AI and blockchain



Director

Kentaro Sato

GMO Pepabo, Inc.

Representative Director and CEO

Expertise: Web Creative Creator Support



Director

Kentaro Nakamura

GMO-Z.com Trust Company, Inc.

CEO

Expertise: Stable Coin Development and Operation



Director

Makoto Makita

GMO Cybersecurity by Ierae, Inc.

Representative Director

Expertise: Cyber security from attackers' perspective

Team



Satoshi Makita

GMO Internet Group, Inc.

General Manager, Infrastructure & Operations Division,
Systems Management Headquarters

Expertise:Blockchain, Mining operations



Director

Kosuke Kotani

GMO Coin, Inc.

Director

Expertise:Crypto asset (cryptocurrency)
exchange
IEO Support



Director

Takeo Hayashi

GMO Aozora Net Bank, Ltd.

Head of Corporate Planning Team

Expertise:Internet Finance
Business planning and development



Director

Mai Fujimoto

[BlockchainPROseed](#)

Co-founder

Expertise:Promotion activities in the
blockchain area

Team



Advisor
Kazuyuki Shudo
[Kyoto University](#)
Professor
Expertise: Computer Science and Engineering



Advisor (CPA)
Takao Yoshimura
Former President of [Deloitte Tohmatsu Venture Support Co.](#)
Expertise: Venture support, IPO support



Advisor
Isao Moriyasu
Former President and CEO of DeNA Co.
Expertise: Business development and business growth



Advisor
Sota Watanabe
[Astar Network](#)
Founder
Expertise: Public blockchain development

□ Group Overview

□ Financial condition and strategy

□ Consolidated results

□ ESG activities

ESG | Sustainability management for SDGs

電子印鑑なら
GMOサイン



コエテコ by **GMO**



GMO光アクセス
for **Education**



GMO CYBER SECURITY
// **IERAE**



⋮

**Our business help
Social and
environmental issues
to be solved.**

ESG | Disclosure processes



**Preferentially
attempting to expand
ESG disclosure**

<https://www.gmo.jp/csr/gri/>

Internet for Everyone

GMO